

U.S. not imposing economic scheme

By AVI TEMKIN
Post Economic Reporter

The U.S. administration is not trying to impose any kind of economic scheme on Israel, Treasury director-general Emanuel Sharon said yesterday after returning from the U.S. where he held economic talks with officials in Washington.

According to Sharon, the Treasury will start working in the near future on a long-range economic plan which will include projections for the coming three years. He revealed that the Finance Ministry now favors introducing a cost of living allowance scheme which will prevent large wage cro-

sion in a short period. This could be done through monthly payments of C-6-L compensation, although the Treasury has not finalized its position on the issue.

Sharon added that the average gross wage for 1984 will be 5 per cent lower than its level for 1983, and this will reduce real wages to their level in 1981 and 1982.

Treasury officials said yesterday that Finance Minister Yigal Cohen-Orgad will leave for the U.S. during the last week of February. It is not yet clear whether he will take with him the promised economic plan. Sharon said that although there were American officials and

(Continued on Page 2, Col. 6)

Garbage uncollected as 70,000 workers strike

Jerusalem Post Staff

TEL AVIV — Some 70,000 local authority workers yesterday launched a general strike. Garbage was not collected, municipal offices remained closed, and emergency departments operated with a skeleton staff.

At the same time, industrial workers stepped up demands for wage increases to compensate them for wage erosion.

The strike of local authority workers will continue today as efforts to reach an agreement failed to bear fruit last night. Negotiations with the Histadrut and union authorities will resume at 2 p.m. today.

Meanwhile, negotiations of the Clerks' Union and the Union of Local Authorities adjourned at 10:15 p.m. yesterday. Today the Union of Local Authorities will consult with the Finance Ministry to determine whether various proposals are acceptable to the ministry.

Workers at the Herzliya municipality are to resume work today after an agreement was reached last night with Mayor Eli Tadmor on compensating lower-rank employees for wage erosion.

The workers are demanding a wage increase for the lower grade employees, which will bring their salary up to half the average salary in Israel.

TEL AVIV's 12-storey municipal building was empty of its workers as the city's 10,000 employees — 3,000 of them hospital workers — joined the strike. Hospitals performed only emergency surgery and out-clinics were closed. The city's welfare offices were shut.

Municipal Workers Organization chairman Theodore Kaufman told *The Jerusalem Post* that if the strike continues today, garbage will be collected only from hospitals, market places and other places where its accumulation is hazardous to public health.

Meanwhile, the secretaries of nine unions whose members work in privately owned enterprises demanded negotiations over a wage increase. They raised the demand, after civil and other public servants, won an \$5,500 increase as well as \$66 more for every year of seniority.

Yitzhak Giliadi, secretary of the Municipal Workers Union, would not say whether the unions were

(Continued on Page 2, Col. 2)

Temple Mount raiders left evidence behind

By MICHAEL EILAN
Jerusalem Post Reporter

Police investigating Friday's abortive attack on Jerusalem's Al-Aksa Mosque and Dome of the Rock are concentrating on the explosives and other gear left behind by the men who tried to climb into the mosque compound.

Police confirmed yesterday they are not making the rounds of extreme right-wing Jewish circles. This job is apparently being handled by other security forces. Two members of the Kach organization, who were arrested on Saturday night, have been released.

The two men who managed to get into the mosque compound at 2 a.m. Friday, and the "two or three" men who may have been outside the wall left behind a good deal of equipment. A police spokesman said the special investigation team led by Pakeh Amram Fahima is concentrating on trying to trace the sources of this equipment.

In addition to 19 grenades, the men had 13 kilos of explosives with them — and not five kilos as previously reported. They also left behind ropes, a ladder, several coats, knapsacks and other gear. Fahima's team hopes it will find enough cross references from the sources of the equipment to find the attackers.

"It's not like the Grunzweig case where all we had was a grenade that had already exploded," a police of-

ficer said. "Here we have something to work with."

Jerusalem municipality officials and police officers, meanwhile, are tightening security at the mosque compound and at other holy sites in Jerusalem.

Mayor Teddy Kollek called on the mufti of Jerusalem, Sa'ad ed-Din Alami, yesterday, both to condemn the attempted attack and to suggest ways to improve security.

Kollek suggested that electronic devices be used to guard the Temple Mount compound, and city hall officials will recommend ways to improve the lighting in the compound after dark. (Picture, page 2)

Southern District police commander Nitzav Yehoshua Caspi and Jerusalem police chief Tab-Nitzav Rahamin Comfort also called on the mufti. They too condemned the attack and talked about improving security.

Police, municipality and Wakf (Moslem trusteeship) officials are to meet this morning to draw up plans to increase protection of the mosque and the compound.

Justice Minister Moshe Nissim strongly condemned the attempted attack, saying it "serves the sick purposes of marginal people." So did Chief Rabbi Mordechai Eliyahu and Avraham Shapira, who said they "strongly condemn the use of weapons on the Temple Mount, the site of our temple...Without a doubt this was done by marginal elements from whatever side."



West German Chancellor Helmut Kohl says goodbye yesterday to Knesset Speaker Menahem Savidor (back to camera) as Prime Minister Yitzhak Shamir and Kohl's wife, Hannelore, look on at departure ceremony at Ben-Gurion Airport. (Andre Bruttman)

Kohl: decision on Saudi arms after careful study

Jerusalem Post Staff

A final decision on the sale of German arms to Saudi Arabia will be made in Bonn, not Jerusalem, after careful deliberation of the legitimate interests of all countries friendly to West Germany, Chancellor Helmut Kohl said yesterday as he concluded his five-day visit to Israel.

Kohl was speaking at a press conference after a last round of talks with Prime Minister Yitzhak Shamir.

In weighing the decision on arms for the Saudis, Kohl added, the Bonn government would take full account of Israel's objections, of which he had been aware before he came here.

Kohl also pledged that his government, and he personally, would take up Israel's interests with regard to agricultural exports to Europe in the context of the prospective entry of Spain and Portugal into the European Community.

(Continued on Page 2, Col. 4)

Shamir: U.S. view to influence Bonn

Jerusalem Post Reporter

At the weekly cabinet session yesterday, Prime Minister Yitzhak Shamir said the U.S. position on German arms sales to Saudi Arabia would have a profound influence on the eventual decision of the Bonn government. Shamir said he got this impression quite clearly from his talks with Chancellor Helmut Kohl.

In the light of this, Shamir told his colleagues, Israel would try to block the projected weapons deal, not only by repeatedly explaining its objections to the Germans, but also by using whatever leverage it could on American leaders and public opinion. He said Israel's informa-

tion drive is already lined up upon this target.

Cabinet secretary Dan Meridor, mentioning the Shamir-Kohl talks later to reporters, said Shamir based Israel's case against the deal on past and present realities alike. Meridor said: "Germany would be committing a wrong if it gave an Arab state weapons to be used against a country sheltering the few remnants of the Holocaust." He said that in war after war Saudi Arabia sent soldiers and arms to fight Israel.

The general understanding among ministers was that Kohl was as set as before on the arms deal.

Bank shares take market up

Jerusalem Post Reporter

TEL AVIV — The stock market soared yesterday, with those bank shares covered by the government agreement rising 7 per cent, another 200 shares up 5 per cent or more and moderate demand for index-linked bonds, which only last week were under heavy selling pressure.

The market boom, financial experts say, was caused by the First International Bank's announcement yesterday of a new investment scheme, based on the agreement bank shares which pays an annual dollar-linked interest rate of 19.6 per cent.

First International's scheme, experts say, induced other investors to

purchase the agreement bank shares. This resulted in a turnover of \$18.7 million in those shares covered by the government agreement, with the Bank of Israel selling \$17.5m. worth — the first time it has been able to sell.

The high demand for these bank shares rubbed off on other sectors of the market. Oil shares in particular, boosted by the strike at Gurim 4, began to soar.

Financial sources were cautious yesterday about predicting that there had been a real turnaround on the market. The sharp rises in share prices are bound to be followed by a spate of profit-taking, they warned.

(See story Page 7)

Soldier wounded in Lebanon attack

SIDON (Itim). — An Israeli soldier was lightly wounded yesterday when light arms fire was directed at an IDF patrol south of the Zaharani River, near the village of Sarafand.

The soldier was evacuated to a hospital in Israel.

In another incident shortly afterwards in the same area, another IDF patrol came under fire, but no one was hurt.

Security sources linked both incidents to Shi'ite extremist agitation in the area.

Rumsfeld flies to Cairo

AMMAN (Reuters). — U.S. special envoy Donald Rumsfeld flew to Cairo Saturday night after a two-hour visit to Amman, during which he met King Hussein, U.S. Embassy officials said yesterday.

The official Jordanian news agency Petra said Rumsfeld's talks with Hussein covered U.S. efforts to solve the Lebanese problem and other Middle East developments.

Rumsfeld, who flew to Amman from Beirut, reaffirmed to Hussein Washington's interest in restoring Lebanese sovereignty and efforts for an overall Middle East peace.

Modai: Cabinet is a rubber-stamp

By ASHER WALLFISH
Jerusalem Post Reporter

Energy Minister Yitzhak Moda'i complained in yesterday's cabinet meeting that Prime Minister Yitzhak Shamir had failed to report to the cabinet on the bilateral Israeli-American talks on strategic cooperation in Washington last week.

Moda'i also suggested that Shamir had deliberately failed to tell his cabinet colleagues about the American plan to form a Jordanian rapid deployment force.

"We get to hear half-truths and partial facts," Moda'i grumbled.

Moda'i said it was feasible that the Israeli negotiators had made concessions in Washington with regard to the Jordanian force and had already given Israel's conditional consent to the force plan.

He said that for a long time, critical issues had been presented to the cabinet to be rubber-stamped, after the main discussion and analysis had taken place in other forums. He said he saw no point in his joining in cabinet discussions, on topics which had virtually been settled before Shamir presented them to the cabinet.

The decision making process was faulty, Moda'i said. The proper reaction to such a trend may well have been indicated by Minister without Portfolio Mordechai Ben-Porat, who just tendered his resignation, Moda'i said.

Moda'i said later than when he asked Shamir about the discussions in Washington, Shamir replied the time was not yet ripe to report on them.

Finance minister Yigal Cohen-Orgad was also taken to task by Moda'i. "I don't remember that we

(Continued on Page 2, Col. 1)

Elections seen nearer after Ben-Porat quits

By SARAH HONIG
Post Political Reporter

TEL AVIV. — The government, still reeling from last week's cliff-hanger confrontation with Tami, was further weakened yesterday, while the opposition was heartened, by the resignation of Minister without Portfolio Mordechai Ben-Porat. Ben-Porat will remain in the coalition for the time being.

Ben-Porat's resignation infused the opposition with renewed optimism, that moves to dissolve the Knesset and call early elections may succeed. Both the Alignment and Shinui are expected to table motions soon to reschedule elections in the belief that chances are now better that the motions may win the support of at least 61 MKs.

Prime Minister Yitzhak Shamir sought in vain to prevent Ben-Porat's resignation. Shamir is aware that any change in his coalition's structure may hasten its demise. He is quoted as telling Ben-Porat that "pulling out one brick from the wall may bring the whole structure down."

Ben-Porat declared that although he is out of the cabinet, he will continue to be a member of the coalition. But the coalition will not be able to count on him as it had hitherto, since he also stated that he will vote as he sees fit.

In the coalition yesterday it was openly admitted that the commit-

ment of a single MK, free of any party pressures, is very different from that of a minister. Thus Ben-Porat's move is seen as weakening the coalition.

Although the coalition on paper is supported by 64 MKs, some are seen as "unreliable." These include the three Tami MKs, and Liberal mavericks Yitzhak Berman and Dror Zeigerman. They are now joined by Ben-Porat, whose position in any crucial vote will no longer be predictable.

The coalition's uncertainty is further compounded by Ben-Porat's statement that he will not increase his efforts on behalf of "a national emergency government," and if, as he expects, these efforts are frustrated, he might support moves to call early elections.

These statements, at least potentially, add one more vote to a possible opposition bill for early elections. As things stand now, an opposition bill is sure to be supported by the opposition's own 56 MKs. Two more potential votes could come from Berman and Zeigerman who have often come out in favour of early elections. If Ben-Porat is added, then an early elections bill could receive the support of 59 MKs. Thus the opposition need only two more coalition MKs in order to achieve the minimum of 61 votes needed to reschedule elections.

These additional votes could conceivably come from Tami, in view

(Continued on Page 2, Col. 2)

Ben-Porat: Gov't not functioning as it should

By ASHER WALLFISH
Jerusalem Post Reporter

Minister without Portfolio Mordechai Ben-Porat tendered his resignation at yesterday's weekly cabinet session, and explained later that the government is not functioning as it should.

The resignation takes effect 48 hours after submission.

Ben-Porat wrote that his hopes of the government functioning in a normal way had been dispelled. The cabinet found it hard to take the right decisions, he wrote, because of the clash of interests between individual ministers, between wings of the various parties, and between the parties themselves.

For that reason, and also because he could not wield enough influence on the decisions and actions of the

government, he saw no point in staying on as a cabinet member.

During the negotiations that preceded the formation of the government, Ben-Porat recalled, he had predicted the difficulties it would face because of the absence of a national consensus.

Ben-Porat wrote that he tried hard to bring about a national unity government but certain personalities foiled this. Although the coalition started out on a narrow parliamentary basis, he nevertheless decided to join, both to help Prime Minister Yitzhak Shamir overcome economic and security obstacles, and to complete his Arab refugee rehabilitation study.

Ben-Porat praised Shamir for his "balanced outlook and sober approach" towards the country's

problems. He also wrote an unconventional letter to cabinet secretary Dan Meridor lauding his courtesy.

It is understood that Ben-Porat told Shamir some weeks ago that he would resign but Shamir asked him to hold off until the cabinet debated the refugee resettlement study. Then Shamir asked for another delay until after the Knesset no-confidence debate.

Ben-Porat will be a one-man representative of the Movement for Zionist and Social Renewal in the Knesset with the status of an independent faction, not connected with his former colleague Yigal Hurvitz, who was placed third on the Telem list in the 1981 elections, after Ben-Porat and the late Moshe Dayan.

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Jews euphoric over Alfonsin gov't

By DAVID LANDAU
Jerusalem Post Correspondent

BUENOS AIRES. — A bomb blast at a synagogue here last Friday night, the second in Buenos Aires in two weeks, seemed to arouse remarkably little concern among the Jewish community.

At another synagogue the next morning, not far from the site of the attack (which caused minor damage and no casualties), the rabbi delivered his prepared sermon on the *mitzva* of visiting the sick. Neither he nor his congregants apparently felt that he ought to refer to the explosion.

This equanimity seemed, to an outside observer, to reflect both the philosophical resignation of a Jewry that has always faced pervasive, sporadically violent anti-Semitism, and also the new euphoria that has gripped Argentinean Jews with the election of the Alfonsin government.

"People have put away their pas-

sports now," says Zion Cohen-Imach, president of the DAIA, the representative body of Argentinean Jewry. "Before the election the Jews were worried. There was great tension. No one knew what was going to happen. Many thought of going abroad, to Israel. They had their passports ready."

"Following the election, the same people have swung towards euphoria. They feel secure now; they believe that nothing can happen."

The pre-election fears, says Cohen-Imach, focused on the extremist right in the Peronist camp. Its leading ideologue, Professor Octagiano, preached crude anti-Semitic racism: "and they didn't bother to dissociate themselves from him."

"We talked to the main Peronist leadership. We asked them to denounce this and they assured us that they did so — but they asked us not to publish their assurances."

The Radicals under Raul Alfonsin issued rousing guarantees that they would fight discrimination as a crime. Alfonsin himself was well known and well liked by many Jewish leaders.

The Peronist candidate too, Luder, and his vice-presidential running-mate Bittel, made warm statements to the Jewish community. But most Jews, it seems, preferred the radicals.

Perhaps the Jewish voting pattern in the election on October 30 explains why it is the Peronist party in the Chamber of Deputies that has recently initiated a bill outlawing racism and discrimination. In 1983, parliamentary elections will be held for one-third of the seats. In Buenos Aires province, the Jewish vote is not insignificant.

The radical administration has brought a bevy of Jews into government office. Some, like the key Economics Minister, Bernardo

(Continued on Page 3)

The weather at major Swissair destinations

	MIN	MAX	COND
AMSTERDAM	1	3	Cloudy
BRUSSELS	0	2	Cloudy
BUENOS AIRES	18	26	Rain
CHICAGO	14	2	Cloudy
COPENHAGEN	1	3	Cloudy
FRANKFURT	3	3	Rain
GENEVA	4	2	Clear
Helsinki	5	3	Cloudy
HONG KONG	14	37	Clear
JOHANNESBURG	16	27	Clear
LONDON	3	7	Cloudy
MADRID	5	11	Cloudy
MONTREAL	1	2	Cloudy
NEW YORK	3	2	Cloudy
PARIS	5	3	Cloudy
SAO PAULO	17	25	Rain
STOCKHOLM	5	12	Cloudy
TORONTO	1	2	Cloudy
TORONTO	5	12	Cloudy
VIENNA	3	2	Cloudy
ZURICH	4	2	Clear

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THE WEATHER

Forecast: Partly cloudy with slight rise in temperatures.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	74	5-10	12
Golan	74	4-11	13
Nahariya	54	6-11	19
Safed	59	4-9	11
Haifa Port	—	—	17
Tiberias	73	0-19	20
Nazareth	—	6-14	16
Afula	62	6-17	18
Shomron	76	7-13	14
Tel Aviv	64	9-16	18
B-G Airport	66	6-16	18
Jericho	34	7-20	21
Caes	64	8-16	17
BeerSheva	73	4-16	17
Eilat	26	8-30	21

SOCIAL & PERSONAL

Knesset Speaker Menahem Savidor yesterday hosted a luncheon for Australian Foreign Minister Bill Hayden. MKs Menahem Porush, Ya'acov Tzur, Uzi Baram and Ariel Weinstein, as well as Australian Ambassador Robert Merrillees, attended.

Prime Minister Yitzhak Shamir congratulated Interior Minister Yosef Burg on reaching his 75th birthday at yesterday's cabinet meeting.

A ceremony commemorating the fifth anniversary of Golda Meir's death was held at Tel Aviv Museum last night. At the meeting, sponsored by the Government Information Centre, the Histadrut and Na'amat, Labour Party leader Shimon Peres announced the establishment of a Golda Meir Society, which will award an annual prize to outstanding women.

Shamir honours Lehi leader 'Yair' Stern

TEL AVIV (Itim). — Prime Minister Yitzhak Shamir, fellow cabinet ministers, MKs and IDF officers yesterday marked the 42nd anniversary of the death of Lehi leader Avraham (Yair) Stern by making a pilgrimage to his grave in Nahlat Yitzhak.

Wreaths from the prime minister, the defence minister and Lehi veterans were laid on the tomb.

Lavon memorial

A ceremony in honour of Pinchas Lavon, former defence minister, will be held tomorrow at 2.30 p.m. at Kibbutz Hulda. At 4 p.m., a roundtable discussion will take place on the subject of "The labour movement in light of the economic crisis."

Australian FM meets with Herzog, Kollek

Post Diplomatic Reporter

Visiting Australian Foreign Minister Bill Hayden yesterday paid a courtesy call on President Chaim Herzog.

Hayden started his day with a visit to Yad Vashem. He later visited Jerusalem Mayor Teddy Kollek.

RUBBER-STAMP

(Continued from Page One)

ever had a cabinet discussion on economic policy. I have repeatedly asked for such a discussion to be held — to no avail. I feel less and less responsible (for government policy)," said Moda'i.

Shamir said yesterday that the constant stream of important international figures visiting Israel was ample proof that this country's image abroad is getting better all the time.

Shamir made this claim at yesterday's weekly cabinet session after reporting on the visits of Federal German Chancellor Helmut Kohl, Australian Foreign Minister Bill Hayden, the U.S. Agriculture Secretary John Block, director-general of the French Foreign Ministry Francis Guttman, and the impressions of President Chaim Herzog from his state tour of two African countries.

Welcome to Israel

Alan Scott Woolf,

Accountant, of Portland, Maine

Gerald J. Sanders,

Attorney, of New York (son of Max and Mary Netman Sanders, prominent Jerusalemites)

From the Capt. Yehiel and Ruth Glosky Langer Hospital Foundation, One Mapu St., Jerusalem

HOME NEWS

Military court remands grenade theft suspect

The military court of the Central Command extended the remand in custody yesterday of David Shemtov, who is suspected of stealing grenades and ammunition from the Israel Defence Forces. The remand continues until the completion of proceedings against him.

(Police suspect Shemtov of having sold a hand-grenade to Yona Avrushmi, who is being held on suspicion of killing Peace Now activist Emil Grunzweig last February.)

In the court, presided over by Sgan-Aluf Mordechai Peled, prosecutor Sgan-Aluf Menahem Finklestein asked for the extension of the remand of Shemtov, 20, who is accused of committing four serious offences by the military police.

He is accused of stealing eight IDF hand-grenades, two anti-tank grenades and quantities of bullets. He is also accused of selling two hand-grenades to a known criminal.

According to Finklestein, Shemtov stole the grenades at the base where he was serving. The police believe he knew that the grenades

would be used for criminal purposes.

Defence attorney Moshe Mousak asked that Shemtov be freed on bail, arguing that it is unjust to keep him in custody as he is not a danger to the community. Mousak also said the accused, who had concluded his military service, suffers from delusions and is in need of psychiatric care.

During the proceedings, the relatives of the accused created a disturbance, and the hearing had to be halted and resumed during the afternoon. The president of the court ordered that the accused be placed under psychiatric observation. (Itim)

The Jerusalem Post has learned that Avrushmi is to appear in court this morning for another remand hearing.

Police sources said they expect that the evidence collected against Avrushmi will be transferred to the Jerusalem district attorney within a day or two so that a case can be prepared against the 28-year-old Jerusalemite.

Officials see free trade pact soon

By AVI TEMKIN

Post Economic Reporter

The government hopes to sign the free trade zone agreement with the U.S. by summer. Treasury officials said yesterday on their return from talks in the U.S.

The officials said the U.S. administration is "fully geared" to signing and implementing the accord, and has set a timetable for it.

An American delegation is expected here on February 13 to continue the talks about the accord. By

the end of the month an Israeli delegation is to return to the U.S. to conclude the present round of negotiations.

Industry and Trade Minister Gideon Patz yesterday reported to the cabinet about the progress of the talks.

According to the officials, the talks could lead to the signing of the accord by next May or June, and could be ratified by Congress before the end of its current session in late summer.

BEN-PORAT RESIGNS

(Continued from Page One)

of its recent threats, and since it has had its own early elections bill pending for some time. But Tami is not a sure partner for the opposition. It is believed to fear early elections and this is said to be the chief reason for its failure to carry out its threats against the government last week.

Tami would support such a move only as a last resort, and it is said in the coalition that by the time Tami joins the move, the Likud too would be likely to support it.

Alignment Knesset faction chief Moshe Shalim hinted yesterday that some prominent Likud figures support early elections. But this is regarded as support along the lines described last week by Deputy Premier David Levy, who warned the junior coalition partners that if they continue to undermine coalition stability, the Likud would prefer early elections to expending all the government's energy on assuring its own survival.

Such statements, it is noted in the Likud, indicate decreasing patience with the "blackmail tactics" of smaller parties and a readiness to go to the polls before the scheduled date of November 1985. But a Likud decision to move up elections would come only if there is no other choice, and at a date that would suit the Likud rather than the opposition.

The Alignment and Shinui will now be testing the chances for the passage of an early elections bill very carefully, despite some Alignment hints to the effect that it had been aware of the Ben-Porat move and that it was pre-arranged in consultation with Labour and Tami. Ben-Porat himself vehemently denied such reports.

The opposition will have to be very wary about putting an early elections bill to the vote, since such a bill can be presented only once in six months.

Meanwhile, the prospect of success in moving for early elections has rekindled the feud between Labour chairman Shimon Peres and former premier Yitzhak Rabin. The Peres camp would want an early elections bill to shorten the time allotted for organizing the elections

and for campaigning from the present 100 days to 45 only. Some in Labour even demand a 35-day pre-election period.

The Rabin camp dismissed claims of Peres backers that the motive for a shorter campaign is to save money and cut campaign time. The real motive, they claim, is the desire by the Peres camp to make any challenge to his leadership impossible because of the short period before polling day.

The Rabin camp demands that the 100 day pre-election period be left as is, if not actually increased.

Shamir yesterday came out against early elections. Speaking after a memorial service for Lehi leader Avraham Stern (Ya'ir), he argued that a government cannot continue to function as it ought and at the same time be constantly disturbed by talk of impending elections and the need to prepare for them. He expressed regret at Ben-Porat's decision.

Asher Wallfisch adds:

The Shinui Knesset faction, hearing that the Alignment was planning to table a private bill for early elections in a fortnight's time, announced yesterday that it would table a similar bill this week.

Shinui also said it would propose cutting down the 100-day cooling off period for civil servants wishing to stand in the election, to only 35 days, and that it would propose that the allocation for election financing be slashed to one-third of the intended amount since a shorter campaign would require proportionately less money.

Late last year Shinui proposed tabling an early elections bill but was persuaded by the Alignment to hold off on the argument that if the measure fell because it lacked a majority no other faction would be able (under the Knesset rules) to table a similar bill for six months.

Now Shinui wants to make sure that if any opposition faction gets the credit for the election move, the Alignment won't get more kudos than Shinui.

Since, as is expected, the Alignment will lean on Shinui very heavily to wait and table the two bills simultaneously (or as one joint measure) the Alignment will have to pay some political price.

Troops halt Nablus area protests

Jerusalem Post Reporter

Youths in Nablus and in the nearby Balata refugee camp demonstrated yesterday to protest against the death on Saturday of a youth who was shot by Border Police.

Troops used tear gas and imposed a temporary curfew on the centre of Nablus and on Balata to halt the demonstration. The youth, Nasser al-Sarisi, was buried late on Saturday night.

The unrest in Nablus is being explained by local sources as a response to the attempted sabotage attacks on the Temple Mount.

STRIKE

(Continued from Page One)

demanding an identical amount. The nine unions represent workers in metal, electronics, electric, textile, food, construction, wood, restaurant and hotels, diamond, glass, gas station and Histadrut industrial enterprises.

Hundreds of engineers in the Military Industries struck yesterday as part of their union's effort to win a new wage scale based on education, advanced courses, and success at work.

Shmuel Sorok, a member of the MI engineers' committee, told The Post that planners, supervisors and managerial engineers struck. But

No smoking in schools

Jerusalem Post Reporter

TEL AVIV. — Smoking in schools will be forbidden beginning Wednesday when the law limiting smoking in public places goes into effect, Education Ministry legal adviser Arie Brick announced yesterday.

Schools will be permitted to set aside an area in the teachers' room where smoking will be permitted for teachers and other staff, Brick said. Educational efforts will be undertaken to encourage pupils to stop (or not start) smoking.

FEES. — The West Bank civil administration fees for crossing the Jordan River will go up by 25-30 per cent, starting February 1.



Jerusalem Mayor Teddy Kollek meets Jerusalem Mufti Sheikh Sa'ad al-Din Alami yesterday to condemn the thwarted bomb attack on the Moslem shrines on the Temple Mount. (Zoom 77)

TV news rejects criticism of report on science education

By JUDY SIEGEL

Jerusalem Post Reporter

Michael Karpin, editor of TV's *Mabat*, last night dismissed a complaint by the Education Ministry against the news programme's recent investigation into the state of science education in Israel.

Asked by *The Jerusalem Post* to comment on a letter sent by ministry spokesman Yisrael Cohen to Broadcasting Authority director-general Yosef Lapid yesterday, Karpin said that "we stand behind all the findings presented in the investigation."

He added that "most" of the academic institutions, army officers and scientists who sent their comments to Israel TV thought the failure of the educational system to interest enough pupils in the sciences — and the danger to industry and defence — was "even more serious" than depicted in the

series by reporter Yarin Kimor.

In his letter Cohen maintained that Kimor had "not bothered" to meet with Education Ministry officials responsible for science and technology teaching, and "made do" with interviews with MKs, professors and experts "whose views are one-sided."

According to Cohen, only one school was filmed, one that was not representative of what is being done in the field. Kimor, he continued, thus attacked a field in which Israel has many accomplishments to be proud of.

Karpin told *The Post* that Kimor was on reserve duty and thus could not have been asked to comment, but that *Mabat* and the Broadcasting Authority would demand a fair hearing and an apology from the Education Ministry, "which wasn't attacked anyway in the series."

KOHL ENDS VISIT

(Continued from Page One)

unity. He pointed out that the enmity of these two countries posed serious problems also for the sale of agricultural products of southern France and Italy.

Kohl emphatically denied that there had been an offer to Israel to grant it licenses for arms production. No one had raised that issue with him, he said.

"I came to Israel as a friend and leave as a friend," Kohl said, describing his visit to Israel as a deeply moving experience. His many hours of discussions with Shamir and other leaders, covering a broad spectrum of topics, had convinced him that both sides wanted to intensify and develop bilateral relations. That desire, and the friendship that characterized the talks, had made it possible to have frank and open discussions, even if the two governments did not see eye to eye on all issues.

Kohl reaffirmed his country's historical responsibility towards Israel, and pointed out that no other European country has a web of ties with Israel as dense as that of Germany. However, what started out as a special relationship, founded by Konrad Adenauer and David Ben-Gurion, must with the change of generations in both countries become a normal relationship, although it retains a special moral quality. Out of this sense of responsibility the Federal Republic advocates with particular emphasis Israel's right to exist within secure and recognized boundaries.

The Middle East conflict, Kohl said, is of vital significance for Germany. For that reason his country, together with other European countries, considers it important to pursue a realistic and balanced policy aiming at reducing tensions in the region. In this respect, the Federal Republic will cooperate closely with the U.S., which is not only the ally of both Germany and Israel, but also bears the main burden of promoting peace in the area.

Kohl repeatedly made reference to the Holocaust, emphasizing that the past must not be forgotten and the lessons of history must be learned, but that the relations between the two countries must be oriented towards the future.

Replying to questions, Kohl said that he will do all he can to expand technical cooperation and the ex-

change of students and scientists between the two countries. He will also encourage private investments in Israel, but said that there would be neither tax preferences nor any other increase in Bonn's financial aid to Israel. "At a time when we are cutting back on existing subsidies, it will be impossible to defend new subventions," he said, referring to Bonn's restrictive fiscal policy.

Nevertheless, the chancellor pointed out, West Germany's development loans to Israel, which amount to DM 140m. a year, have not been cut, while that for Arab states has been reduced by as much as 35 per cent. He mentioned that he was told in Amman and Cairo recently that this was discrimination.

Kohl also promised that, within the modest limits of his country's ability to do so, he would continue to intervene with the Soviet Union in favour of Jewish emigration. He noted that he had brought up the matter with Soviet President Yuri Andropov, during his visit to Moscow last July. Kohl pointed out that the issue of freedom of emigrate was one in which Germany and Israel faced similar problems, since there are large numbers of ethnic Germans who want to leave the Soviet Union for the Federal Republic, just as there are many Jews who want to go to Israel.

President Chaim Herzog yesterday was one of the few Israeli dignitaries not to confront Kohl directly on the mooted sale of German arms to Saudi Arabia.

Instead, during their 25-minute private meeting in Beit Hanassi, Herzog presented Kohl with his book, *The War of Atonement*, pointing out that in it he reported that Saudis on the Golan Heights used American weapons against Israel in the 1973 war.

ANNIVERSARY. — The special study program for Catholic clergy members conducted at the Rothberg School for Overseas Students of the Hebrew University of Jerusalem marked the completion of its 10th Year last week when 19 students from 13 countries — 17 priests and two nuns — received their graduation certificates. The seven-month course is conducted annually at the university in cooperation with the Pontifical Biblical Institute in Rome.

Singapore boy, 7, arrives for bone-marrow transplant

By MARGERY GREENFELD

Jerusalem Post Reporter

A seven-year-old boy from Singapore, who is suffering from leukemia, will be the first patient from the Far East to receive a bone-marrow transplant in Israel. The operation will be performed at the end of the week at Hadassah Hospital, Ein Kerem.

The Israel-Singapore connection was established last month during a visit to Singapore by Prof. Shimon Slavin, the head of Hadassah's transplantation unit. Last month, Slavin performed the first bone-marrow transplant ever done in Singapore and trained a team of

local doctors to perform the potentially lifesaving operation.

Slavin's successful treatment of two 12-year-old boys, both of whom have been discharged from hospital and given a clean bill of health, won wide newspaper coverage in Singapore.

The boy arrived on Saturday night with his mother and four-year-old brother, who will donate the healthy bone marrow that will be introduced into the patient's system. The family's trip here and the cost of the operation and hospitalization was financed through a public appeal in Singapore newspapers.

Bid for Levinson commission rejected

By JOSHUA BRILLIANT

Jerusalem Post Reporter

A Likud proposal that an independent judicial commission investigate the Levinson affair was rejected by the Histadrut executive yesterday.

Ya'acov Levinson, former head of Bank Hapoalim and its subsidiary Ampal, may have violated the law, Ya'acov Shamai, one of the heads of the Likud faction, charged at the meeting that the Histadrut did not want an independent examination of the case because it preferred to "see that everything will be closed. Nothing will leak out."

For nine months developments in the Levinson case were kept secret, even from Hevrat Ha'ovdim's managing committee, Shamai claimed.

Histadrut Secretary-General

Yeroham Meshel told the executive he had personally objected to leaving the Levinson investigation in the hands of Bank Hapoalim alone.

"All along I demanded that the matter be transferred to the attorney-general. Why? Because he can decide there is nothing (illegal). He can demand additional investigation. We believe in the judiciary in Israel," said Meshel.

Meshel then presented the Histadrut Central Committee's proposal regarding the case which noted the steps taken so far and said the matter would be forwarded to Attorney-General Yitzhak Zamir.

Few Likud back-benchers voted against the motion — the faction's leaders and most members abstained and the majority in the hall approved the resolution.

Cairo talks planned on Palestinian rights

CAIRO. — The Egyptian Committee for Afro-Asian Solidarity plans to hold a conference here on March 10 to express support for Palestinian rights, PLO sources said yesterday.

The group hopes PLO chairman Yasser Arafat will be among international figures at the conference, the first of its kind in Egypt since 1971.

The sources said Farouk Kadoumi, head of the PLO political department, is expected.

Arafat visited Cairo for talks on December 22 with President Hosni Mubarak, partly ending Egypt's

isolation from the Arab world after it signed its 1979 peace treaty with Israel.

Meanwhile, a delegation from the Islamic Conference Organization carrying with it an invitation for Egypt to rejoin the 45-nation group is expected to arrive here today, a government spokesman said yesterday.

Heads of Islamic states decided during a summit this month in Casablanca to invite Egypt to rejoin the ICO, from which it was suspended following the treaty with Israel. (Reuter, AP)

Man who raped wife gets 3 years in jail

HAIFA (Itim). — A Haifa man yesterday was sentenced by the district court here to three years in jail and two years suspended for raping his wife in front of his girlfriend.

The 27-year-old man, a newly observed Jew, was out driving with his girlfriend last July when he spotted his wife in a coffee shop with another man.

The husband stopped the car, went into the shop and dragged his wife — from whom he was separated — into the car, and drove to a wood near Kfar Bialik. He then raped his wife and punched his girlfriend when she tried to interfere.

In passing judgement, the court declared that "the marriage bond,

in the present or the past, does not give the husband rights over the body of his wife and certainly not the right to do with her as he pleased and against her will."

In another rape case, the court yesterday sentenced a man from the village of Arame to five years in prison, three years suspended, and three years suspension of his driving licence after his release. The court also ordered Subhi bin Hussein Majis, 27, to pay the woman he raped \$500,000 to compensate her for her suffering.

Majis offered the hitchhiking woman, who was a volunteer on Kibbutz Adamit, a lift, but then drove onto a side road and raped her.

ECONOMIC SCHEME

(Continued from Page One)

economists who favoured a monetary reform scheme like the dollarization programme proposed by former finance minister Yoram Aridor, the Israeli representatives in the talks in Washington stressed that the Treasury prefers a solution based on gradual steps, including cutting the budget by some \$800 million and a drop in real wages.

Sharon conceded that there was criticism among the American economists of the measures taken by the government during the last weeks. Sharon said that the Americans stressed that the public's confidence is basic to every economic programme, and that the limitations on foreign currency introduced by the Treasury earlier this month had not added to this confidence.

The director-general said that each side brought to the talks a battery of academic economists. Representing Israel were Professors Nissan Leviatan, Eitan Sheshinski and Eitan Berglass. The American economists were Professors Stanley

Fischer, Herbert Stein, Paul McCracken and Abe Segal. The American side was also represented by officials from the U.S. Treasury and the State Department.

Sharon held two rounds of talks with the Americans. The first deal with the U.S. aid to Israel for the coming year, the second, with Israel's economic problems and possible solutions.

On American aid, Sharon said that military aid talks were "academic", as most of the issues were already decided in Prime Minister Yitzhak Shamir's latest talks with President Ronald Reagan last November.

Sharon said that Israel is requesting some \$1.3 billion in civilian aid but thinks the Americans will only grant some \$900 million. He added that this figure would not be the final one if the Congress decides to increase it.

The American administration put 55 questions to the Treasury relating to Israel's request for aid for 1985. The talks dealt mainly with Israel's answers.

We mourn the death of our beloved
Father, Grandfather and Great-Grandfather

SAMUEL J. KATZ ז"ל

A true Cohen Tzedek

'Foul' says High Court of 'basketball weddings'

By AARON SITNER
Jerusalem Post Reporter

The High Court yesterday upheld the Interior Ministry's right of refusal to recognize an alleged "fictitious" marriage and grant the non-Israeli spouse automatic citizenship as provided by law.

The ruling — by Justices Aharon Bank, Shlomo Levin and Eliezer Goldberg — concerned an appeal by two American basketball players, Chris Rankin and Phil Daly, against the Interior Minister's rejection of their request for Israeli citizenship, which they claimed is due them following their civil marriages to Israeli women in Cyprus.

The two athletes were recruited by Maccabi Petah Tikva last year. Since Israel Basketball Association regulations require all players in minor leagues to be Israeli citizens, the pair sought to acquire citizenship under the Law of Return, by converting to Judaism in the U.S. However, this attempt was foiled when a Population Registry clerk noticed that the American rabbi who had converted the pair had been disqualified by rabbinical authorities here.

Since immediate citizenship can also be obtained through marriage to an Israeli national, the two players then reportedly travelled to

Cyprus (last November) where they wed Israeli women.

Rankin and Daly appealed to the High Court and obtained a show-cause order against the interior minister when the latter still refused to grant them citizenship following the Cyprus weddings.

In its response to the order, the ministry justified the rejection on the grounds that "no state is obliged to leave itself and its values open to the stratagem of fictitious marriage for the sake of a ballgame or any other unwarranted reason."

For their part, the two sportsmen claimed it was none of the interior minister's business whom they married, how and for what purpose, and that their marriages are valid in international law.

At yesterday's hearing, the High Court panel not only accepted the ministry's stand, but announced its ruling without even requesting the sides to present their summation arguments.

The justices said they will give their reasoned judgement at a later date, and ordered the applicants to pay IS200,000 in court fees.

An Interior Ministry spokesman yesterday said he hopes the ruling will "put an end to the strange phenomenon of 'basketball weddings'" in the future.



Hundreds line up yesterday at Tel Aviv's Mamm Auditorium to buy tickets for *The Magic Flute*, the opera to be staged by the Cologne City Opera and the Israel Philharmonic Orchestra in five performances beginning on February 16. The prices range between IS3,000-4,000 with discounts for subscribers. (M. Dekel)

U.S. agriculture secretary mum on bi-lateral projects

By YITZHAK OKED
Jerusalem Post Reporter

TEL AVIV — U.S. Agriculture Secretary John Block yesterday, on the first day of a two-day visit, was noncommittal about binational agricultural research or ways to increase Israeli agricultural exports to the U.S.

These will be two of the main topics discussed in today's meeting by Block and Agriculture Minister Pessah Grupper.

The Israeli-American Binational Agricultural Research and Development Fund (BARD) was established in 1977. Each country

contributed \$40m. for the endowment, and the interest is used to finance 250 research and development projects in both countries.

In talks now being held, the Israeli side has suggested that each nation increase its part by an extra \$30m. and the interest rate be increased. The Americans have said they would agree to an increase of \$15m. only. Whatever figure the two sides agree on must receive the approval of the U.S. Congress and the president.

Block would say only that BARD would be the subject of talks he will hold with Israeli officials today.

He was, however, enthusiastic about Israel and the U.S. cooperating in the field of agriculture to help third countries like Egypt, saying this could be a powerful tool for peace.

Asked in what field the U.S. could learn from Israel, he answered that the biggest contribution could come in the field of irrigation. Water supply is a problem in the U.S., he said, since many states in the U.S. suffered from drought last summer.

Yesterday the secretary and his delegation toured Kibbutz Na'an, Moshav Beer Tuvia, the agricultural research station at the Volcani Center in Rishon LeZion and the cereal silos at Ashdod port.

Tel Aviv elderly to get day-care centre

Jerusalem Post Reporter

A day-care centre for the elderly is being created by the Histadrut's Kupat Holim in the Shabazi neighbourhood of Tel Aviv, the health fund spokesman announced yesterday.

The centre, which will provide hot meals, physiotherapy, occupational therapy and medical supervision for 25 elderly people from the neighbourhood, will open in about 18 months, after renovations are completed on an existing clinic.

Rosh Hanikra sees rallies for, against IDF in Lebanon

Two sets of demonstrators rallied at Rosh Hanikra yesterday, one group calling for the immediate withdrawal of the IDF from Lebanon, the other urging that the IDF remain. Meanwhile, the fourth in a series of demonstrations by kibbutzim against the war in Lebanon was staged outside the Prime Minister's Office in Jerusalem by members of Kibbutz Nir Yitzhak.

Police reinforcements were called to Rosh Hanikra to keep the rival demonstrators apart, but the two-hour protests went off peacefully.

More than a thousand demonstrators, mainly members of northern kibbutzim, rallied behind placards with slogans such as "The Galilee is not an inseparable part of Lebanon" and "Let us get our soldiers out of the Lebanese mud." Mapam MK Dov Zaklin sharply attacked the government's policy in Lebanon which "has not brought peace to us but has complicated our situation."

The rival demonstration had some 200 participants, some of them also members of nearby kibbutzim and others from Kiryat Shmona, Nahariya and Shlomi.

"Kiryat Shmona is now an inseparable part of our state," read one of this group's placards.

The chairman of Shlomi local council, Yehuda Lamki, said that an immediate withdrawal from Lebanon without suitable military arrangements means compelling the settlers in the North to return to the shelters, turning them into PLO hostages.

Some 150 Nir Yitzhak members came from the western Negev to the Prime Minister's Office, to call for the immediate withdrawal of the IDF. The government has led us into this pointless war and does not know how to get out of it, they said, demanding a change in government.

For the last four weeks, a different kibbutz from the Kibbutz Artzi movement has sponsored a protest rally.

(Continued from Page One)

Grinspun, are not close to the organized community. Others, like Marcos Aguinis, deputy minister of culture, are involved.

Good for the Jews or bad? Cohen-Imach, himself a leading lawyer with a nationwide reputation, is unequivocal. "The community," he says, "has always fought for Jews to be able to contribute in all areas of public life — the army, the diplomatic corps, the judiciary. Now that it's happening, our people shouldn't worry."

The higher ranks of the armed forces, traditionally reserved for Catholics (and widely considered hot-beds of anti-Semitism), are unlikely to be thrown open overnight. The government is fighting the military on other, more crucial fronts.

But the virtual exclusion of Jews from the foreign service and the discrimination against them in judicial appointments "will change with this government," *The Jerusalem Post* was assured by a close Alfonsini associate, Marcelo Sturbin, a young

Jews EUPHORIC

Jewish deputy and vice-chairman of the Radical bloc in the chamber.

Another cause of Jewish confidence, says Cohen-Imach: Alfonsini's sweeping victory promises stability — at least on paper. "No one expected such a big majority, not even the Radicals themselves."

"A new era has opened. The process of democratization has broad popular support. The public mood makes a military revolution unlikely."

He enters two caveats, however. "It is difficult to be sure. This is not a typical country. In the past 25 years, two democratic presidents were elected: neither was able to complete his term."

"Nor is a high-profile Jewish presence in politics any guarantee against anti-Semitism. President Frondizi had two Jewish secretaries and a Jewish minister. There were Jewish senators and a Jewish state governor. And yet there was a great upsurge of anti-Semitism. The

Fascist groups use anti-Semitism as part of their assault on democracy."

Argentinian-born of Sephardi (Damascene) stock, Zion Cohen-Imach has been a prominent figure in Argentinian Jewry for many years. He was president of the DAIA from 1970 to 1973, and resumed the post in July 1982.

He was thus not personally responsible for the community's policy during the terrible years of the "dirty war," in the late seventies, when hundreds of young Jews were among the *desaparecidos* kidnapped by government agents and usually never heard of again.

But he defends the DAIA's record with all his courtroom skills. "The *desaparecido* issue is used by many people," he asserts. "The whole country wants this to be investigated, and the guilty punished. But some on the left, want more than justice... they want to use it politically."

"There are people in the community who attack the DAIA. They try to make it look as though the community organizations are against opening up the issue to investigation."

His references are mainly to the *Nueva Presencia* newspaper and the Jewish Movement for Human Rights which have consistently assailed the Jewish "establishment" over the *desaparecidos*, alleging weakness and inaction at the time and a tendency to cover-up now.

"But the DAIA did everything possible. I could get nothing from the junta. The whole Catholic Church, which is so important in Argentina, got nothing, so how could we...?"

Human rights activists here, however, accuse the church, too, of inaction, and in some cases complicity, during the "dirty war."

Asked about the Resnitsky case, in which the son of the then-president of the DAIA, Nahmias Resnitsky, was kidnapped and soon released upon the energetic intervention of his father with the minister of interior, Cohen-Imach replies: "I cannot relate to a particular case. Maybe the government did not want a frontal clash with the DAIA. The DAIA did all it could — about every case brought to its attention. If the government released Resnitsky's son (and not others), that is the government's affair. The DAIA asked about everyone. But it never got an answer."

"I was not involved then, but I have been told that the DAIA presented lists of names and details.

There is an official letter from Hergundegui, the minister of interior (1976-8), to the DAIA detailing the charges against various persons who had been taken."

"A DAIA official told me they were once upbraided by the secretary-general of the presidency. 'Why do you come about Jews?' he shouted. 'Have Jews got any special privileges...?'"

"There is a basic principle you have to understand. This was done against people they considered to be subversive. Yes, everyone knows Jews were worse treated, worse tortured. But they were not taken because they were Jews."

This last statement, that Jews were not kidnapped *qua* Jews, is the common consensus, supported even by Jewish members of the "Mothers of the Plaza de Mayo."

Cohen-Imach's comment about subversives is much more controversial. Certain Jewish "establishment" figures, interviewed by *The Post*, went even further, noting darkly that those who were kidnapped "were not taken for nothing." They stressed the havoc caused by the leftist guerrillas before 1976.

[Other sources, Jewish and gentile, pointed out that the Junta's "war against subversives," far exceeded that ostensible aim: There were cases where whole families, including innocent children, were kidnapped and butchered.]

Cohen-Imach continues: "During my own current presidency of the DAIA, and during the previous presidencies, there was not a single case of someone saying, 'my son was taken because he is a Jew.'"

He adds though: "There were cases, which are now coming to light, in which families were taken, the son held and the parents subsequently released with the dire warning, 'don't go to the DAIA.'"

"In the final analysis, the whole country suffered fear. The whole country — and not just the Jews — were cowed."

"The Jewish leaders had to be very careful. The junta was all-powerful, they could do anything. The Jews had to be very prudent... very tactful."

Elena Cohen-Imach, elegant and soft-spoken, who was aiding her husband during the interview with the occasional phrase in Hebrew or English, added a comment of her own. "It was difficult for us," she said, "even to believe it was happening. Yes, we knew that people were disappearing. We thought that perhaps they had been killed. But we never knew it was so many. We never knew it was like this..."

NY museum renews interest in exhibition

By ABRAHAM RABINOVICH
Jerusalem Post Reporter

Barred from New York's Metropolitan Museum two years ago and rejected in part now by Washington's Smithsonian Institution, an exhibition of Israeli archaeological treasures may yet make it to the U.S., Israel Museum officials revealed yesterday.

Martin Weyl, director of the Israel Museum, said the Metropolitan Museum has revived its interest. "I've had several meetings with them," he said.

The exhibition being discussed, said Weyl, includes the same items from the Rockefeller Museum which earlier prompted the Met to

back out of the original agreement for fear of Arab reaction. The Rockefeller was in Jordanian hands between 1948 and 1967 although its displays were organized entirely during the Mandatory period.

Following the Met's rejection of the exhibition two years ago, considerable public pressure was placed on the museum authorities to reverse their stand.

As *The Jerusalem Post* reported yesterday, the planned Smithsonian exhibition fell through after officials from that museum insisted on dropping about 15 of the 200 items to be shown because they were "disputed." These included some items from the Rockefeller, such as

one of the Lachish Letters, items transferred from the Rockefeller to the Israel Museum such as the Samaria Ivories from the palace of the kings of Israel and Egyptian-style sarcophagi excavated in the Gaza Strip following the Six Day War.

Weyl pointed out that the original list was drawn up by a Smithsonian curator, Gus Van Beek, who came to Israel for the purpose. After a year's delay, the Smithsonian informed the Israel Museum that it wanted to strike the disputed items from the list because they were being contested by UNESCO. Weyl accused the institution of turning the matter into a political issue.

Universities fail to cut next year's budget by 8%

By CHARLES HOFFMAN
Jerusalem Post Reporter

The conflict over budget cuts in the universities is likely to be renewed following the Council for Higher Education's failure to get the university administrations to agree to an 8 per cent cut in next year's budget.

A source on the council told *The Jerusalem Post* yesterday that "the problem of how to ensure the future of higher education in Israel will have to be dumped in the cabinet's lap. The universities have reached the conclusion that there is no way they can make cuts that for this year and next add up to between 15 and 17 per cent."

For the first time in 10 years, the universities will finish the year with a deficit of over IS1 billion.

In early December the council agreed to press the universities for an 8 per cent cut for next year, in return for an immediate infusion of IS3 billion from the Treasury that was owed to the universities. The

head of the council's planning and grants committee, Prof. Haim Harari, has spent the last month in a largely fruitless attempt to persuade the universities to implement the 8 per cent cut this coming year.

The council plans to issue an official statement today on the university budget situation.

The council has also made little progress in negotiations with student representatives to secure their agreement to an increase in tuition fees next year.

Education Minister Zevulun Hammer yesterday asked Prime Minister Shamir to put on the cabinet agenda a discussion on the country's higher education network and its current problems, it was learned.

Together with Social Affairs Minister Aharon Uzan, Hammer circulated a joint draft bill enabling the Open University to open a technical college with funds from Yad Hanadiv, the Rothschild Foundation.

Hammer returns to cabinet meetings

By ASHER WALLFISH
Jerusalem Post Reporter

Education Minister Zevulun Hammer attended a cabinet meeting yesterday for the first time since suffering a heart attack two months ago.

Hammer has been back at the ministry for several hours daily for the past fortnight, and before that he was handling departmental business at home.

The 48-year-old minister has begun writing personal letters of thanks to more than a thousand Israelis who sent him their best wishes for a recovery.

At yesterday's cabinet session, Prime Minister Yitzhak Shamir made a point of welcoming Hammer back.

Larger immigrant mortgages in Feb.

Jerusalem Post Reporter

A one-time offer of larger immigrant mortgages is available only during February from the Absorption Ministry, involving apartments in certain preferred areas around the country.

The ministry is offering immigrant families an additional linked loan of IS1 million to buy flats next month in Haifa's Nesher quarter, Jerusalem's Ramot Alon and Pisgat Ze'ev quarters, Ma'ale Adumim outside Jerusalem, Netanya's Neve Poleg and in all neighbourhoods of Beersheba. During the month, contractors will hold meetings at absorption centres to explain the project.

Meanwhile, ministry director-general Eli Artzi has expressed concern over a 13.3 per cent cut in the ministry budget, which, he says, was made "without previous discussion" between the Treasury and his subordinates.

Artzi said the cut followed a previous 8 per cent decrease in the ministry's budget and will hurt new immigrants, especially those from distressed countries like Ethiopia.

The ministry's budget last year was based on the arrival of 15,000 immigrants, but an additional 2,000 came to Israel in 1983, many of them Ethiopian Jews who need extra financial assistance, said Artzi.

SAFETY. — Thousands of officers and sergeants in the IDF's Southern Command have signed up for a safe driving course given by the army.

Wilner says Soviets restrain Syria

By LEA LEVAVI
Jerusalem Post Reporter

TEL AVIV — Syria will not start a war against Israel as long as the friendship and cooperation agreement between Syria and the Soviet Union remains in force, Rakah (Communist Party) secretary-general Meir Wilner told a press conference yesterday.

Wilner headed a Rakah delegation which visited Moscow earlier this month and held talks with members of the Central Committee

of the Soviet Communist Party.

He said Rakah and their Soviet hosts agreed that Israeli strategic cooperation with the U.S. can be a boomerang endangering Israel's future. "When the Soviet Union says American policy endangers world peace, they are not only talking about the Soviet Union and what the West calls Eastern Bloc countries," he said. "They are also talking about the Middle East, and though Israelis often seem to forget it, we are living in the Middle East."

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Just a formality—Reagan's announcement

WASHINGTON (Reuters). — After months of playing coy, President Ronald Reagan was expected to announce last night that he will seek a second four-year term in the White House.

Reagan will give the word at 10:55 p.m. local time (5:55 a.m. Israel time today) in a five-minute live television broadcast on all the national television networks from the White House.

White House aides, Republican Party officials and leaders of Reagan's well-established reelection committee are so certain he will run that they view the announcement as a mere formality.

Reagan lent credence to that assumption with campaign-style appearances last week in which he mapped out his hopes for the future and lambasted his potential Democratic Party rivals.

A "no" decision by Reagan would plunge the Republican Party into turmoil and be the biggest U.S. political shock since then-president

Lyndon Johnson decided against a re-election bid in 1968 at the height of the Vietnam War.

But Ed Rollins, director of the "Reagan-Bush '84" committee, which has already raised several million dollars in campaign funds, all but guarantees that that will not happen.

Reagan, who turns 73 on February 6 and is the oldest U.S. president in history, will enter the race a solid favorite.

Public opinion polls show him starting his fourth year in the job with the highest job-approval rating in public opinion polls of any president since Dwight Eisenhower 25 years ago.

He spelled out his campaign themes in last week's State of the Union message, depicting a nation that under his leadership had found renewed economic vigour, military might and world prestige.

The economy, in deep recession just 14 months ago, is now one of Reagan's strongest points. Inflation

has been cut by two-thirds and interest rates are down sharply since he took office. Unemployment has fallen in the past year and most economists think it will be even lower when the votes are cast in November.

Reagan seems most vulnerable on foreign policy. He appears stuck in a quagmire in Lebanon, where almost 260 U.S. military personnel have been killed.

Relations with Moscow have deteriorated badly since the Soviet Union downed a South Korean passenger plane last September. Moscow's walkout from arms reduction talks last November has added to the fear of many Americans that the superpowers are headed for confrontation.

HAWKE. — Australian Prime Minister Bob Hawke left Canberra yesterday for Hongkong to start an 18-day tour of Asia aimed at strengthening Australia's role in the area.

UK arbitrators attempt to solve press dispute

LONDON (AP). — The government's arbitration service intervened yesterday in a clerical union dispute that has halted publication of *The Times* and *The Sunday Times*, but there were no signs of an early settlement.

Officials of the Advisory, Conciliation and Arbitration Service (ACAS) said it had contacted both sides to arrange peace talks after press magnate Rupert Murdoch's News International, which owns the two loss-making newspapers, warned the shutdown had plunged them into "jeopardy."

The Times has not published since the dispute flared Thursday after the management appointed a photo sales manager to integrate the paper's library with *The Sunday Times*.

The Society of Graphical and Allied Trades (SOGAT) charged that that violated agreed procedures for reallocation of jobs. It had been staging wildcat strike for two weeks until 750 members were fired Thursday. Machine-room staff walked out and *The Times* suspended 800 more members of SOGAT and the National Graphical Association without pay.

Young Tories claim fascist infiltration

LONDON (AP). — Right-wing extremists and racists have infiltrated Britain's ruling Conservative Party and a number of its 397 lawmakers are "too closely connected with extremist groups," the party's youth wing reported yesterday.

The young Conservatives recommend the party set up a permanent unit to watch for future infiltration. "It must be clear to everyone that racists and ex-fascists are not welcome in our party," a youth wing spokesman said.

Chairman John Selwyn Gummer said he accepted the "thrill of the recommendations" of the report, but played down the extent of the problem.

"I must stress that there is no evidence of any significant infiltration into the Conservative Party," Gummer told Press Association, the British domestic news agency.

The young Conservatives national advisory committee set up the inquiry in September 1982, after press reports linking party members with extremist groups.

The party leadership was embarrassed at its annual convention last October by a resurgent far-right attempt to win endorsement for banning further non-white immigration and the "voluntary repatriation" of non-whites.

The move was heavily defeated on a show of hands.

Legionnaires steal regiment's payroll

NIMES, France (AP). — A nationwide alert was issued yesterday for two members of the French Foreign Legion after they allegedly stole their regiment's entire monthly payroll of about \$120,000.

The French Defence Ministry issued a statement saying the theft was "without precedent in the Foreign Legion." The two men, who were not identified, stole the money on Saturday from the barracks of the 2nd Regiment, stationed near this southern French city.

The money was January's payroll for the regiment's 800 officers and men, and the theft represented the second major legion-related crime in France in the last three months.

On November 15, two young applicants travelling by rail to a legion recruitment station were arrested in Toulouse and charged with murder. Police said they repeatedly beat an Algerian passenger and then threw him to his death from the speeding train.

Police said the two men confessed, and they quoted one of them as saying he killed the Algerian because, "I just don't like Arabs."

U.S. keeping N-tests secret, 'Times' says

NEW YORK (Reuters). — An unknown number of nuclear explosions at the U.S. test site in the Nevada Desert have been concealed by the Reagan Administration over the past year, *The New York Times* reported.

The criterion for concealing a nuclear test is size, with very small blasts kept secret, the newspaper quoted government officials as saying.

The White House declined to comment on the report.

Undisclosed tests signify a break with U.S. government policy of announcing all tests since 1975, the newspaper said. The U.S. announced 14 tests in 1983.

A top official at a federal laboratory that designs nuclear weapons was quoted as saying: "There's been a decision not to announce all the tests. To me, there's no reason to keep them from the public. In the past, we've announced them all."

Spanish terrorists kill former Madrid commander

MADRID (Reuters). — The former head of the Madrid military region, Lieutenant-General Guillermo Quintana Lacaci, 67, was shot dead outside his home here yesterday, police said.

Quintana, the sixth army general killed in Spain since 1978, was gunned down from a passing car in a fashionable residential area after attending church. His wife was injured.

No group claimed responsibility but suspicion fell on the Basque separatist organization ETA which has carried out dozens of murders in recent years in its fight for an independent state in northern Spain.

The last Spanish army general killed by ETA was in November 1982, shortly after the Socialists won elections and during a visit to Spain by Pope John Paul.

ETA has suffered two serious blows in recent weeks, with French

police moving some of its exile activists away from their bases in southwestern France and Spanish police rounding up more than a dozen suspected members.

General Quintana, a veteran of the 1936-39 Spanish Civil War and of the Blue Division which fought alongside Hitler against the Russians in World War II, was captain-general of the Madrid region from 1979 to 1982.

He was in command of a key military region during the abortive coup in February, 1981, when he was said to have played an important part in persuading fellow officers to obey the king and not join the rebellion.

After leaving the Madrid post in July 1982, Quintana went onto the reserve "B" list which meant that he stayed on active service but had no specific command.

Chinese execute pornographer

PEKING (AP). — Shanghai authorities have executed the leader of a pornography ring that recruited at least 10 young women for "obscene pictures," the local Communist Party newspaper reported.

The Friday edition of *Wen Wei Po*, seen yesterday in Peking, said Ren, Fuxing was put to death on Thursday after a public rally to denounce the pornographers. Four other members of the group received prison terms ranging from four to 10 years, it said.

"We must never let this spiritual garbage poison our youth and contaminate our society," said an accompanying editorial.

It said Ren, an art studio photographer who had been disciplined previously for insulting women co-workers, formed a gang that marketed pornography from 1979 to March 1983.

"They represented themselves as

photographic artists to lure, corrupt and devastate young women," the paper said.

The paper did not identify the 10 women involved or say whether they were disciplined as well.

China's Communist government has pledged to open the country to western technology, but has sworn to keep out what it calls the "decadent filth of capitalist culture."

In Hongkong, the current issue of the magazine *Chung Yung*, says the son of Chinese vice-foreign minister Yao Guang, was arrested in September for buying pornographic videotapes and *Playboy* magazines while working for the Chinese national airline's North Yemen office.

The magazine, banned in China, quoted sources as saying Yao Xiao Ang was recalled to Peking at a time when the government was cracking down on undisciplined personnel abroad.

2 suspects in soccer cup theft freed

RIO DE JANEIRO (Reuters). — Police Saturday released two men after saying earlier they would be charged in connection with the theft and melting down of the Jules Rimet Cup, the soccer world's top trophy.

But a third man also detained Friday remains in custody after hitting a police officer.

Rio de Janeiro state Police Chief Oscar Pecanha told a news conference Saturday he had convinced federal police that the three were not involved. The main suspect was an ex-convict now at large whose tipoff had led to their arrest, he said.

The cup, which contained 1.8 kilograms of gold, was held by Brazil in perpetuity after three World Cup wins.

It was stolen from the Rio headquarters of the Brazilian Football Association (CBF) on December 19 and police said it was later melted down.

Sergio Pereira Ayres, a former

CBF employee, and Antoni Pugliese, the owner of the workshop where the cup was allegedly melted down, said before their release they would sue the police.

CBF President Guiltino Coutinho said Saturday that a replica cup with the same gold content had been ordered and would be produced in France.

Iraq hands over 190 Iranian prisoners

ANKARA (Reuters). — Iraq yesterday handed over 190 Iranian prisoners to the International Red Cross at Ankara airport and a special Iranian plane later flew them home, airport officials said.

A spokesman for the Iraqi Embassy in Ankara said the Iranian plane arrived empty and no Iraqi prisoners were being exchanged for those released by Baghdad.

Sports

Liverpool crash on Brighton rock

BRIGHTON (AP). — League champions Liverpool crashed out of the English F.A. Cup soccer tournament yesterday, upset 2-0 by Second Division Brighton and Hove Albion.

Liverpool were without the injured Kenny Dalglish, and Graeme Souness went off with a hamstring injury after 30 minutes. Nevertheless, they dominated the opening half. But Brighton's former England goalkeeper Joe Corrigan kept his team in the match with several splendid saves. Corrigan made seven superb saves.

Liverpool were stunned by two goals in two minutes early in the second period. After 56 minutes, striker Gerry Ryan, looking suspiciously offside, broke through and chipped the ball neatly over Bruce Grobbelaar into the net. Before Liverpool could recover, the home team snatched a second goal. Terry Connor smashed a superb shot past the helpless Grobbelaar.

This was the second straight year that Liverpool have been knocked out of the cup by Brighton.

Last season, the South Coast team scored a shock 2-1 win on Liverpool's ground in the fifth round. They went on to reach the final of Wembley, where they only lost to Manchester United after a replay.

Invincible Windies

ADELAIDE (AP). — The West Indies kept their unbeaten record against Australia this summer in a one-day match at Adelaide Oval here yesterday with a polished one-day win in the World Series Cup cricket competition by a comfortable six wickets.

In reply to Australia's 165 from 38 overs, the West Indies finished with 167. Gavriel Scobie scored 56 and 44, while Clive Lloyd was not out on 39.

For Australia, Steve Smith made 55 and Rodney Marsh 34 not out. Viri Richards took 2 for 28 in 18 overs with his best.

Repeat of Masters

Post Sports Staff
John McEwen and Ivan Lendl are to meet in the final of the \$375,000 Pro Tennis Tournament. McEwen, who won Wimbledon in 1969, is the defending champion. Lendl, who won the U.S. Open in 1980, is the defending champion. The match is scheduled for Saturday at the Los Angeles Sports Arena.

Star runners

By JACK LEON
Post Sports Reporter
TEL AVIV. — Top international long-distance runner Paul Cummings of the U.S. and Tanzanian Zachary Barie hope to compete in Hapoel's fourth annual 20-km. Tel Aviv half-marathon. The race will take place on March 29. Shoshan Purim — concurrently with a full 42-km. marathon and six-km. mass run for all comers.

The two crack athletes are among several overseas sportsmen and women who would like to participate in the 20-km. event. Hapoel marathon committee's American representative Jack Cassio told me over the weekend in a telephone conversation from his Ohio home.

In order to show off more of Tel Aviv to the competitors than in previous years, as well as to bring out more spectators, central thoroughfares like Yehuda Halevi and Rabinovitch are being closed to traffic for the race.

The routes again include Dizengoff St. and the Gahal St., so it is hoped that the coming race will have a really distinctive Tel Aviv "flavor" this time. Hapoel spokesman Yehuda Alkali said yesterday, "There is much interest in the marathon, which was largely confined to the city's northern outskirts and adjoining Ramat Gan. There were complaints last year about the race causing traffic jams, and it was suggested that it should take place in the city center. On Saturday, March 19, it will be a Saturday."

In Osaka, East Germany's Karin Dorsch recorded a new world record over one of the world's best women marathon runners when she won the Osaka Marathon here yesterday, March 22, the first of a series of events in the Japanese marathon, overtook Japan's Akemi Matsuda in the last 1,000 metres to win the 42.195-km. event in two hours 21 minutes 44 seconds.

No luck

No punter guessed all 13 results correctly in his Sportoto coupon on Saturday. As a result, the coming Saturday's first prize will be a minimum of \$53,000, and the total prize money will be \$100,000. There is no cash prize for each for 12 correct results, \$52,000 for 11, and \$4,733 for 10 correct forecasts.

Israel Lands Administration
Jerusalem District

Offer for Lease of 2 Plots for Single Family Construction at Kiryat Gat
Tender No. JM/83/101

The Israel Lands Administration invites bids for the long term lease of plots for the construction of a residential structure only.

At the time of publishing the tender, the details of the plots and possibilities for building are as follows:

Municipal bldg. plan	Plot	Approx. area (sq.m.)	Total bldg. % on 2 floors (low const.)	Development Costs (IS)	Minimum price (IS)	Deposit (IS)
9/11/03/9	5	348	80	713,800	817,325	40,000
9/11/03/9	17	298	80	636,728	773,774	40,000

Details, sample contracts and bid forms are available at our Jerusalem district office, 34 Reh. Ben-Yehuda, during regular working hours.

Deadline for submitting bids is 12 noon on February 29, 1984. Bids not found in the tenders box at the above time, whatever the reason, cannot be considered.

The Israel Lands Administration does not undertake to accept the highest or any bid.

Israel Lands Administration
Central District

Offer for Lease of Plot for Construction of Common Wall Apartment House at Rishon LeZion — Mizrah Quarter
Tender 102/83/M

The Israel Lands Administration invites bids from those interested in signing a development contract for a plot, details of which at the time of publication of the tender, are as follows:

Block	Parcel	Plot	Area (sq.m.)	Total bldg. % on 4 floors	Minimum price (IS)	Deposit (IS)
4243	86	86	331	58	1,595,700	80,000

Details, sample contracts and bid forms are available at our central district office, 88 Derech Patah Tilva, Tel Aviv, during regular working hours.

Deadline for submitting bids is 12 noon on February 29, 1984. Bids not found in the tenders box at the above time, whatever the reason, cannot be considered.

The Israel Lands Administration does not undertake to accept the highest or any bid.

Israel Lands Administration
Haifa District

Offer for Lease of 2 Plots for Construction of 2-family houses in Binyamina
Tender 105/83/H

The Israel Lands Administration invites bids for the lease of 2 plots for multi-story construction. The details of the area and the possibilities for construction, at the time of publication of the tender, are as follows:

Block	Parcel	Approx. area (sq.m.)	Total bldg. % on 2 floors	Minimum price (IS)	Deposit (IS)
10152	7	1039	36	1,859,478	100,000
10152	8	1083	36	2,113,043	100,000

Additional details and bid forms are available at our Haifa district office, 13 Reh. Ba'atzmaut, during regular working hours. Deadline for submitting bids is 12 noon on February 29, 1984. Bids not found in the tenders box at the above time, whatever the reason, cannot be considered.

The Israel Lands Administration does not undertake to accept the highest or any bid.

Israel Lands Administration
Jerusalem District

Plot for Construction of 69 Housing Units in Ramot 03, Jerusalem
Tender 106/83/JM

The Israel Lands Administration invites bids from those interested in signing a development contract for a plot, details of which at the time of publication of the tender, are as follows:

Municipal building plan	Plots	Approx. area (sq.m.)	Development costs (IS)	Deposit (IS)
3056	1-12	10,700	94,876,419*	2,000,000

* Development costs must be paid to the Arim Company. This figure is based on the December 1983 Building Inputs Index 121.69.91. Amount paid will be updated, in accordance with the index.

A detailed prospectus (IS 250 fee) and additional details, are available at our Jerusalem district office, 34 Reh. Ben-Yehuda, 12th floor, Tel. 224121, during regular working hours.

Deadline for submitting bids is 12 noon on February 29, 1984. Bids not in the tenders box at the above time, whatever the reason, cannot be considered. The Israel Lands Administration does not undertake to accept the highest or any other bid.

Israel Lands Administration
Central District

Offer for Lease of 2 Plots for Multi-Storey Construction at Kiryat Binyamin — Yemenite Quarter

The Israel Lands Administration invites bids for the lease of 2 plots for multi-story construction. The details of the plot and the possibilities for construction, correct at the time of publication of the tender, are as follows:

Tender	Block	Parcel	Approx. area (sq.m.)	Minimum price (IS)	Deposit (IS)
103/84/M	11120	108	991	1,230,636	600,000
103/84/M	11120	109	1008	1,253,710	600,000

Details, sample contracts and bid forms are available at our Haifa district office, 13 Rehov Ha'atzmaut, during regular working hours.

Deadline for submitting tender bids is 12 noon on February 29, 1984. Bids not found in the tenders box at the above time, whatever the reason, cannot be considered.

The Israel Lands Administration does not undertake to accept the highest or any other bid.

ENTERTAINMENT

TELEVISION

EDUCATIONAL:
18.5 School Broadcasts 15:00 Surprise Train 15:25 Touch 15:45 Follow Me — English for Adults 16:00 The Heart (part 2) 16:25 Summer Street 17:00 News Evening — live magazine
CHILDREN'S PROGRAMMES:
17:30 Different Strokes: The Reporter (RCA) Cartoons
ARABIC-LANGUAGE programmes
18:30 News roundup
18:32 Sports
19:27 Programme Trailer
19:30 News
HEBREW PROGRAMMES resume at 20:00 with a news roundup
20:02 Pillar of Fire (part 5)
21:00 Mahat Newsweek
21:30 Arc You Being Served? — comedy series. Upr. Captain Peacock
22:00 This Is the Time
22:40 Stranger — British suspense series. Starring Don Henderson, Dennis Blanch, Anna Mulligan and Mark Mann. A free Weekend in the Country
22:35 News
JORDAN TV (unofficial):
17:30 Cartoons
18:00 French Hour 18:30 JTV Science Film 19:00 News in French 19:30 News in Hebrew 20:00 News in Arabic 21:30 Buffalo Bill 21:10 Documentary: 22:00 News in English 22:15 Hart to Hart
MIDDLE EAST TV (in North Only):
13:00 Escape 13:30 Insight 14:00 Another Life 14:30 World Club 15:00 Afternoon Movie 16:30 Spiderman 17:00 Popeye 17:30 Super Book 18:00 Lurricane 19:00 Bonanza 20:00 Another Life 20:30 World News Tonight 21:00 Entertainment Weekly 21:30 Sports Special 22:00 News in English 22:35 News Update NFI. 22:54 700 Club 23:34 News Update

ON THE AIR

Voice of Music
6:02 Musical Clock
7:07 Telemann: Don Quixote Suite; Vivaldi: Concerto Grosso
7:30 Rossini: Grand Overture; Respighi: Romanza, suite (Ansermet); Corelli: La Folia (Yehudi Menuhin); Bach: Concerto for 3 Pianos; Suite: Symphony No.29, K.30 (New Philharmonia, Muti); Haydn: Violin Concerto in C major; Shostakovich: Ballet Suite No.1
9:30 Rodriguez: Fantasy for a Gentleman; Copland: El Salon Mexico (Detroit, Dorati); Schumann: Piano Concerto (Peter Frankl, Bamberg, Furst); Saint-Saens: Violin Sonata No.2; Ravel: Ballet Music; Daphnis et Chloe, complete
12:00 An Hour with duo-pianists Bracha Eden and Alexander Tamir — Mozart: Sonata for Piano 4-hands; Beethoven: Theme and Variations for Piano 4-hands; Mendelssohn: Allegro brilliant, Op.92; Schumann: 6 Canonic Etudes, Op.56 (arranged by Debussy); Schubert: Variations, Op.92, No.2
13:05 Musical Greetings
15:00 The Hour of Music
15:30 Youth Programme
16:10 The Jerusalem Symphony Orchestra: John Carey conducting with Mina Seidman-Haas. English horn: Moshé Murzik, violin — Josef Kaminski; Violoncello on an Israeli song for English Horn and Orchestra; Dvorak: Violin Concerto; Stravinsky: Suite No.2 for Little Orchestra; Haydn: Symphony No.103
18:00 Musica Viva — The International Composers' Rostrum — Hilmar Regnarsson: Canto (Iceland); Works by George Ligeti (South German Radio) — Chamber Cinceno for 13 Instruments

Second Programme

7:00 This Morning — news magazine
8:05 Safe Journey
9:05 House Call — with Rivka Michaeli
10:10 All Shades of the Network
12:05 Open Line — news and music
13:00 Midday — news commentary, music
14:10 Matters of Interest
16:10 Safe Journey
17:10 Economics Magazine
17:30 Of Men and Figures
18:05 Am Yisrael Hat — Jewish communities in the diaspora
18:45 Today in Sport
19:05 Today — radio newsweek
19:30 Law and Justice Magazine
20:05 Cantorial Music
22:05 Folk Songs
23:05 Treasure Hunt — radio game

First Programme

6:03 Programmes for Olim
7:30 Morning Concert (from Voice of Music)
9:30 Encounter
10:30 Programme in Easy Hebrew
12:05 Guest for an Hour
13:00 News in French
14:05 Children's programmes
15:35 Notes on a New Book
16:05 Medicine and the Law (repeat)
17:20 Everyman's University
18:05 Afternoon Classics
18:47 Bible Reading
19:05 Reflections on the Portion of the Week
19:30 Programmes for Olim
22:05 Talks on halachic matters
23:05 Castles in Spain

ARMY

6:05 Morning Sounds
6:30 University on the Air
7:07 "707" — with Alex Anski
8:05 Morning Newsweek
9:05 Right Now
11:05 Israeli Winter — with Eli Yisraeli
13:05 Two Hours
14:05 What's Wrong? — with Erez Tal
16:05 Four in the Afternoon
17:05 Evening Newsweek
18:05 Army and Defence Magazine
19:05 Music Today — music magazine
20:05 Golden Oldies Hit Parade
21:00 Maber — TV Newsweek
21:35 University on the Air (repeat)
22:05 Popular songs
23:05 Interview of the Week (repeat)
00:05 Night Birds — songs, chat

CINEMAS

JERUSALEM 4, 7, 9
Eden: Pantom 4, 6, 45, 9; Edison: Sahara; Hahadash: Over the Brooklyn Bridge; 4, 6, 45, 9; Kfir: Monty Python: Meaning of Life; Mitchell: I Love You Carmen 7, 9; Orion: The Toy; Orna: Sudden Impact 4, 6, 45, 9; Ron: Yod 4, 7, 9, 15; Sennar: My Favourite Year 7, 9; Blayney: Ha'mama; Love at First Sight 7, 9; Cinema One: Star Wars 5, 45; 1001 Liebs About Picasso 8; Monty Python — And Now for Something Completely Different 9, 45; Cinema: Serpico 9, 30
TEL AVIV 4, 7, 9, 15, 20
Alamy: Young Warrior; Ben-Yehuda: Over the Brooklyn Bridge; Chen 1: Sudden Impact 4, 7, 10, 9, 40; Chen 2: Experience Preferred But Not Essential 4, 7, 9, 30; Chen 3: Trading Places 4, 7, 9, 30; Chen 4: Carny Row 4, 30; Chen 5: Coolidge's Daughter 10, 30; Chen 6: Officer and Gentleman 4, 30; Chen 7: Coming Home 10, 30; Cinema One: Rocky II: Class: Coup de Foudre; Dekel: Star Chamber 7, 15, 9, 30; Drive-In: Doctor No, 7, 15; Sex film, midnight; Eden: Pantom 4, 6, 45, 9, 30; Gas: I Love You Carmen; Gordon: Requiem for a Fool; Hedi: Sahara; Levi: Monty Python: Meaning of Life 1, 30, 43, 7, 15, 9, 30; Levi: Return of Martin Guerre 1, 30, 43, 7, 15, 9, 30; Lerner: The Champ 4, 30, 7, 9, 30; Mader: Thunder: Madder: Under Fire; Orion: The Hungry Artist; Fellow Travelers 10, 12, 2, 4, 7, 15, 9, 30; Peer: Wedding Party: Shalom: Flashback: Studio: Why Will Love My Children? Tel Aviv: Madder: Sahara; Ziffer: Vivement Dimanche 7, 15, 9, 30
HAIFA 4, 6, 45, 9
Amor: M.A.S.H.: Amor: Sudden Impact; Alamy: Under Fire; Chen

Pottergeist; Moriah: The Enigma 6, 45, 9

RAMAT GAN
Armon: I Love You Carmen 7, 9, 30; Crazy Professor 4; Lily: Yod 7, 15, 9, 30; Oasis: Sudden Impact 4, 7, 9, 30; Orna: Over the Brooklyn Bridge 7, 15, 9, 30; Ramat GAN: The Entity 7, 15, 9, 30
HERZLIYA
David: Who Will Love My Children? 7, 15, 9, 30; Tiferet: Blade Runner 4, 7, 15, 9, 30
HOLON
Migdal: Sudden Impact 7, 15, 9, 30; Man with the Golden Gun 4, 30
WHAT'S ON
Notices in this feature are charged at IS437 per line including VAT; insertion every day costs IS8579 including VAT per month. Copy accepted at offices of The Jerusalem Post and all recognized advertising agents.
Jerusalem
MUSEUMS
Israel Museum: Exhibitions: Art Looks at Art, Dr. Elisha Salomon, From a Photographer's View, The Talmud, Paintings and Objects: Yonah, Kohn, "

Tune In Tonight

State Address Has Reagan On Deck and Foes on Spot

By STEVEN R. WEISMAN

WASHINGTON

RONALD Reagan's State of the Union message last week may have been state-of-the-art in maximizing the incumbency. Mr. Reagan used the Presidential platform to articulate the election-year themes of peace, hope and prosperity, to placate key voting groups with budget "goodies," and to put opponents on the defensive.

If his aides are to be believed, Mr. Reagan will climax a busy week tonight with a five-minute televised declaration that he intends to seek re-election. Some in Washington think he could still stun the experts by declining to run. But generally politicians who have been analyzing Mr. Reagan's performance have little doubt that his campaign has already begun.

A notable aspect of that performance last week lay in a paradox. Mr. Reagan's domination of Washington has been unsurpassed by other recent Presidents, yet he clearly intends to portray himself as the same "outsider" who ran in 1976 and 1980. Although he has presided over the system for three years, Mr. Reagan intends to blame the system for the nation's problems. As for the Federal deficit, his biggest domestic headache, Mr. Reagan has improvised a technique that might be called "minimizing the incumbency."

The State of the Union speech, for example, offered a perfect chance for the President to cite specific examples to buttress his claim that deficits are caused by overspending. But he waived the opportunity. White House aides say they are fearful that specific new proposals to reduce spending on food stamps, health care and the like would be unpopular this year.

Instead, Mr. Reagan deftly turned to the Democrats, appealing for their cooperation on a modest, ill-defined "downpayment" of "less contentious" budget savings to reduce the \$200 billion deficit. He also moved to distance himself from blame for the deficit, which many economists attribute partly to his tax cuts and military spending policies.

How can an incumbent run as an "outsider"? Some Reagan aides say the approach springs partly from an expectation that Walter F. Mondale will be the Democratic Presidential nominee. Campaign strategists say the President wants to drape an incumbent's mantle on the former Vice President, turning the challenger into a symbol of the "tax-and-spend" philosophy with which the Administration has identified the Democrats. In Atlanta, Mr. Reagan suggested that Mr. Mondale was trying to "buy support" in the campaign with "promises to interest groups."

Democrats are determined to prevent Mr. Reagan from what they say is an effort to have his incumbency both ways. The Speaker of the House, Thomas P. O'Neill Jr., tried to smoke the President out by calling on him to be specific on the budget. "We want to find out where he is," said the Massachusetts Democrat. "He's running the Government; we're not." Mr. O'Neill said no bipartisan budget accord could be struck without cuts in the growth of military spending.

For now, the President seems to prefer broad themes to details. The State of the Union address, which aides say has set the tone for the coming campaign, dealt with three important areas: foreign affairs, "fairness" and, surmounting both, the future.

On foreign affairs, Mr. Reagan offered a vision of an America more secure than it was in 1980. He appealed to the Soviet Union to negotiate seriously on arms control, but offered no new proposals to break the stalemate. He briefly asserted the need to keep American marines in Lebanon, but provided no evi-



dence of progress in the effort to bring them home. His appeal for more aid to Central America was played down. White House aides said, so that Mr. Reagan would have latitude to negotiate a bipartisan package. Presidential strategists thus acknowledged that, aside

The Democratic response and other State of the Union coverage, page 2.

from the general issue of national security, international matters are not an area of great political strength for Mr. Reagan.

On what the politicians call the issue of "fairness," Mr. Reagan's advisers acknowledged that Democratic attacks had done some damage. A step toward repairing it came in the President's decision not

The state of the people...

Cost of housing

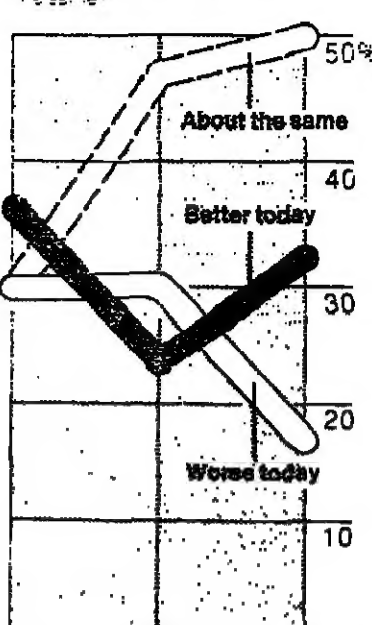
Average home prices
1976 to 1983
\$42,200 \$53,926 \$51,074

Health care

Physician fees
Percent increase from previous year
adjusted for inflation
9.7% 11.0% 7.5%

Family finances

Compared to a year ago, is your family's financial situation better today, worse today or about the same?



Source: Bureau of Labor Statistics

The environment

Federal spending on pollution control and abatement
billions of constant 1976 dollars
\$4,536 \$3,462 \$2,242

Fear of Crime

Are you afraid to walk alone at night?
(Percent of respondents who answered yes)
44% 43% 47%

Source: National Opinion Research Center

...and what they think

Guns and butter

Do you think Federal spending on... should be increased, decreased, or kept the same?

	Programs for the poor	Military and defense programs
Increased	48%	24%
Decreased	8%	23%
Kept same	39%	50%

Peace and prosperity

Regardless of how you usually vote, do you think the Republican Party or the Democratic Party is more likely to...

	Keep us out of war	Insure a strong economy
Republicans	92%	48%
Democrats	35%	39%

America's standing

Do you think Ronald Reagan's policies have brought the U.S. more respect in the Soviet Union, Europe and Central America, or do you think his policies have created more problems in those areas?

More respect	41%
More problems	48%
Don't know/no answer	13%

Source: New York Times / CBS News Poll conducted Jan. 14-21, 1984

Major News

In Summary

Two Powers Admonish From Afar

Yuri V. Andropov was back in public print last week though not in public view. Pravda, the Communist Party newspaper, published what it described as an interview with the ailing Soviet leader in which he countered the Reagan Administration's calls for "constructive cooperation" and "pragmatic progress."

He too wants dialogue, Mr. Andropov said, but "practical deeds" by Washington are needed if the Administration's conciliatory talk is to be taken seriously. The remarks attributed to him made it clear that this meant, above all, a response to Moscow's biggest grievance: the start of deployment of American Pershing 2 and cruise missiles in Western Europe. Far from making the world a safer place, the deploy-

ment has increased military and political tensions, he asserted. Mr. Andropov called on the West to "display readiness" to return to the situation before the deployment began if he, in turn, was to heed calls to return to the bargaining on medium-range missiles that Moscow suspended in November. (Shortly afterward, Moscow took the same action on parallel strategic arms talks.) Diplomats wondered what display of readiness to restore the status quo ante would satisfy Moscow short of actually dismantling the new missiles. Would a pause in further deployment, for example, be enough to allow Moscow to climb down?

Though his tone was less bitter than that of Foreign Minister Andrei A. Gromyko the previous week in Stockholm, Mr. Andropov gave nothing away and advanced no new proposals to improve relations. He called again for a nuclear-weapon freeze at the present levels, for Washington to reciprocate Moscow's

pledge not to be the first to use nuclear weapons, and for an agreement between the North Atlantic alliance and the Warsaw Pact against the use of force. All of these proposals have been dismissed by Washington as propaganda gestures without practical effect and even dangerous for the West.



A day after the publication of the interview, President Reagan had an occasion, in his State of the Union speech, to keep the informal dialogue rolling. But the President had no new proposals either. Instead, he addressed a general appeal to "the people of the Soviet Union," assuring them that "Americans are people of

peace," and declaring that "a nuclear war can never be won and must never be fought." To millions of Poles, however, who watched the American nuclear war movie "The Day After," a television commentator said, "President Reagan does not exclude nuclear war. He wants to limit it to Europe." Not a charge that could be made against Moscow, according to reports of stepped-up Soviet submarine activity off the Atlantic coast of the United States.

Desegregation, Reagan-Style

The Reagan Administration advanced its brand of civil rights last week by concluding an agreement to desegregate public schools in Bakersfield, Calif., without mandatory busing. Instead, special programs in "magnet schools" will be used to attract white students to predominantly black and Hispanic classrooms.

"We continue to believe that school systems can be desegregated by voluntary means that eliminate racial isolation and improve educational programs," said William Bradford Reynolds, Assistant Attorney General for civil rights. In the

first desegregation case initiated by the Administration at the elementary or secondary school level, the Government filed suit against Bakersfield and simultaneously proposed a consent decree with the school district. Previous Administrations supported the magnet-school concept, but often insisted that it be accompanied by court-ordered busing.

Programs in science, creative and performing arts, computer-assisted instruction, and classes for gifted students will be established at four of the city's 25 elementary schools. Whites now account for no more than 8 percent of enrollment at any of the four. Bakersfield will also encourage black and Hispanic students to transfer to two schools that are now about 80 percent white. School officials said black and Hispanic groups helped develop the plan.

"The Bakersfield community wanted to use voluntary techniques and tried every avenue to prevent the Federal Government from coming in here with a mandatory busing program," said Assistant Superintendent Paul L. Cato. Ralph G. Neas, executive director of the Leadership Conference on Civil Rights, said, "it would seem that once again the Justice Department is refusing to enforce our civil rights law."

U.S. culture is also under fire in Beirut

3

The Nation

It's Meese Replacing Smith at Justice

Attorney General William French Smith, a corporate lawyer and for years a confidant of Ronald Reagan, had been expected to stay on at the Justice Department at least until after Election Day. But last week, the Administration announced that Mr. Smith was resigning and that Presidential Counselor Edwin Meese 3d would replace him.

Strom Thurmond, Republican of South Carolina and chairman of the Senate Judiciary Committee, called Mr. Meese "very well qualified." But those who have been critical of Mr. Smith and positions his department has staked out in civil rights and antitrust cases weren't happy with the nomination of Mr. Meese, a staunch conservative and former county prosecutor. Mr. Meese has overseen the Administration's efforts to reshape the Civil Rights Commission and scrap the Legal Services Corporation.

Congress's 21 black members were quick to declare their opposition to him. A spokesman for the Congressional Black Caucus said Mr. Meese's position on most matters was "diametrically opposed to the Attorney General's responsibility of protecting the constitutional rights of all Americans, and most particularly women, minorities and the poor."

Mr. Smith, said to be planning to return to California and his private practice after three years at Justice, agreed to stay on until Mr. Meese is confirmed by the Senate and sworn in. Mr. Thurmond's Senate committee may begin its confirmation hearings this week.

Once the Senate agrees Mr. Meese is the man for the job, internecine friction should diminish at the White House. It appears likely that White House chief of staff James A. Baker 3d, who has been unenthusiastic about embracing many conservative positions and has thus been involved in occasional tiffs with Mr. Meese, will finally have the run of things below stairs at 1600 Pennsylvania Avenue.

Meanwhile, Mr. Meese won't be the only new face at the top of Justice. Last week Deputy Attorney General Edward C. Schmults, who has supervised much of the department's day-to-day routine, said he planned to leave soon, too. Starting Feb. 6, he becomes the GTE Corporation's general counsel.

Union Loses On Lost Jobs

Organized labor struck out with the National Labor Relations Board last week. Reversing a 1982 ruling, the board ruled that it would generally be no violation of labor law for companies to move operations from union to nonunion plants so as to cut labor costs in mid-term of a contract, unless the contract specifically prohibited such transfers.

The ruling revoked union veto power over such moves and was regarded as the most far-reaching of several recent N.L.R.B. reversals of Carter-era labor policy. The current board is dominated by Reagan appointees. Its decision could have a significant effect on collective bargaining, increasing management leverage in some circumstances.

The three members who passed the decision held that it would "encourage realistic and meaningful collective bargaining," presumably in situations where a union was faced with a shift of jobs to nonunion plants. Dissenting, Don Zimmerman, the remaining Carter appointee, argued that allowing a company in effect to lower wage rates by transferring jobs amounted to legalizing the unilateral modification of a valid contract.

The ruling grew out of a case in which the United Automobile Workers had challenged the right of the Milwaukee Spring Division of the Illinois Coil Company to transfer some work from a union plant in Wisconsin to a nonunion plant in Illinois. A U.A.W. spokesman called the board's action another blow in the Reagan Administration's "all-out ideological and economic assault on working people."

Peter G. Nash, a former N.L.R.B. general counsel and one of the lawyers who argued Milwaukee Spring's position, said the ruling did no more than restore a legal interpretation that had been accepted for 40 years before the 1982 ruling.

3-Mile Plant May Reopen

The Nuclear Regulatory Commission last week confirmed in public what its members had battled out in private: that the undamaged Unit 1 reactor at Three Mile Island near Harrisburg, Pa., would be allowed to reopen, possibly as early as June. The decision was a victory for the plant's owner, General Public Utilities Corporation, but it was not the end of the company's troubles.

In November, the Metropolitan Edison Company, the G.P.U. subsidiary that operated the plant at the time of the March 1979 accident, was indicted on criminal charges of falsifying safety test results before the accident. The regulatory agency itself has been conducting five investigations relating to the integrity of G.P.U.'s management, including an inquiry into charges that the utility modified a report on the accident and allegations that leak-rates at Unit 1 had been falsified.

The commission chairman, Nunzio J. Palladino, who voted with the 3-to-2 majority, said he believed the N.R.C. could judge the "competency and integrity" of the utility's management before the results of the trial or investigation were in.

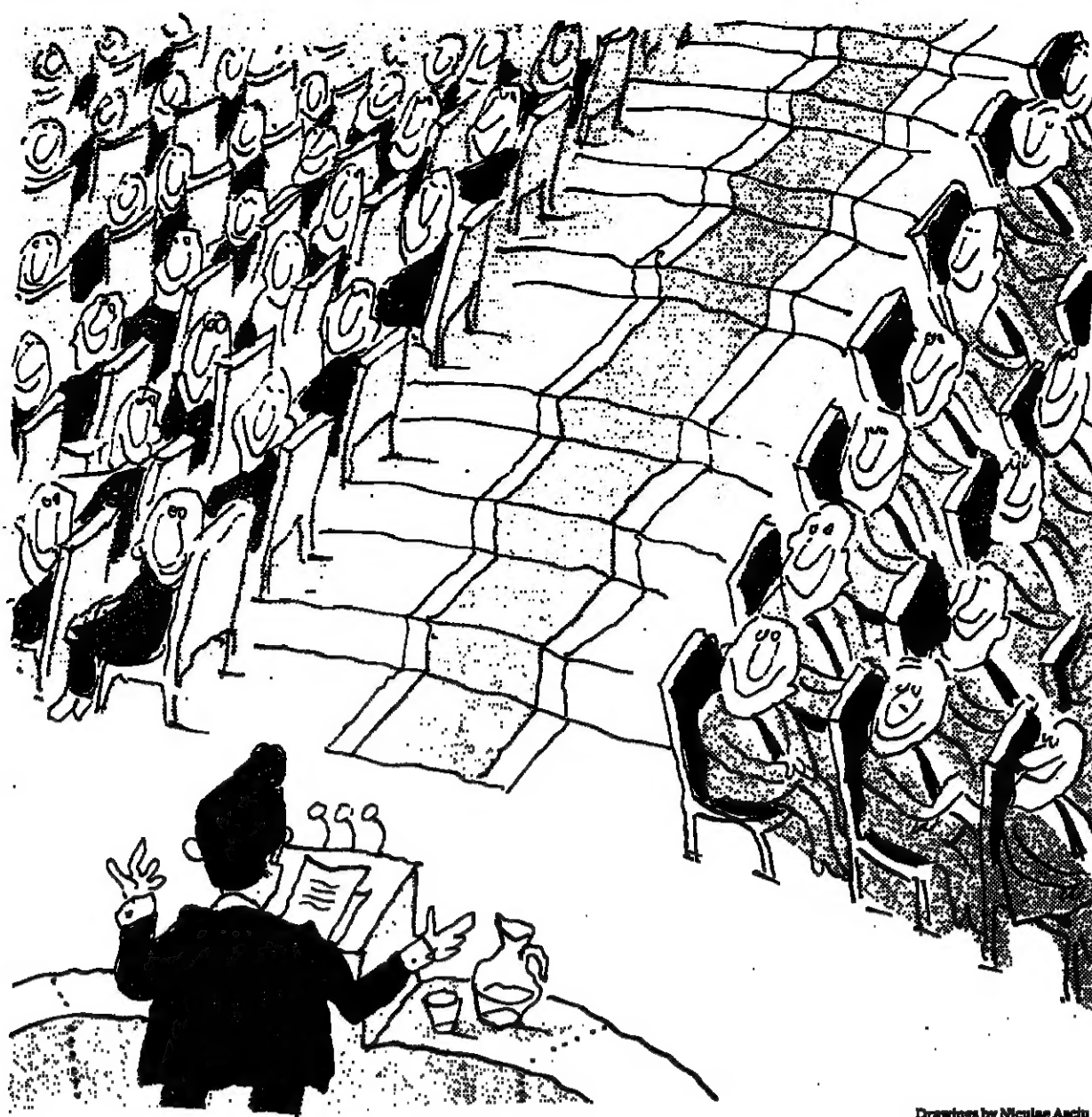
He also emphasized that last week's vote "did not authorize a restart," and that the commission may yet impose new restrictions on the utility before a restart is approved.

The two dissenting commissioners, Victor Gilinsky and James K. Asselstine, strongly disagreed with the meaning of the vote — they said it was tantamount to a start-up — and with its propriety.

Mr. Gilinsky said the decision was "sharply at odds with the N.R.C.'s tenet that the actions and example of the top utility managers are key to safe plant operation." Mr. Asselstine said the majority had mistakenly assumed that the commission investigations, when completed, would find that any wrongdoing at Three Mile Island reflected badly on only a handful of individuals, not on the integrity of the utility's management in general.

The Unit 1 reactor was closed for refueling before the accident at the adjacent Unit 2 — the most serious incident in the 26-year history of American commercial nuclear power. Though undamaged, Unit 1 has not been permitted to operate since then.

Michael Wright,
Carlyle C. Douglas
and Caroline Rand Heron



Drawings by Nicolas Adco

Democrats Look for Thorns In the Reagan Rose Garden

By STEVEN V. ROBERTS

CHALLENGED last week by the master showman in the White House, many of the Democratic Party's most experienced spokesmen once again seemed uncertain how to respond. On the two issues that dominated debate in the capital, Lebanon and Federal budget deficits, the party's spokesmen reacted cautiously, postponing a definitive reply to President Reagan.

Clearly, they were still awed by his command of television. Their wary and defensive mood may have been summed up by Speaker Thomas P. O'Neill Jr., who told a press conference: "We're not going to be hoodwinked." Still, as Congress returned to work after a two-month holiday, the Democrats revealed many of the themes and tactics they will be using between now and

Election Day, in both the legislative and political arenas.

If Mr. Reagan is again trying to portray himself as an outsider, a candidate running against Washington, the Democrats are trying to scuff up that image with the message: "Reagan's in charge; blame him for your problems." Many Democrats believe that foreign policy in general, and Lebanon in particular, is Mr. Reagan's most glaring weakness. Peter D. Hart, a pollster who advises Democrats, noted that a year ago, 70 percent of Americans surveyed rated the economy as their No. 1 concern, and only 10 percent mentioned foreign issues.

Today, the electorate splits 40-40 on the same question. The latest New York Times/CBS News poll indicated last week that 50 percent of the voters were "impressed" about Mr. Reagan's approach to foreign policy while 49 percent advocated the withdrawal of American troops from Lebanon.

Accordingly, many Democrats stressed that Presi-

dent Reagan mentioned Lebanon in only one paragraph of his 45-minute State of the Union oration. Speaker O'Neill led the chorus of criticism when he said, "The President can try to bury the issue of Lebanon in his speech, but he cannot bury it in the minds and hearts of the American people." Representative Edward J. Markey of Massachusetts, who is running for the Senate, struck a similar theme: "The issue is war and peace; the issue is not rich and poor right now."

The reason for this focus on foreign policy, of course, is that for the first time in a decade, American fighting men are dying in a foreign land. As Senator Gary Hart of Colorado, a contender for the Democratic Presidential nomination, put it: "If you're a parent with a teen-ager, you may worry that your 17-year-old son might go to Lebanon instead of college next year."

Like many Democrats, Mr. Markey tried to play on a theme used so successfully by Mr. Reagan in 1980, when he ended his debate with President Carter by asking, "Are you better off now than you were four years ago?" This year, said the Massachusetts lawmaker, the question should be, "Are you safer now than you were four years ago?"

But when it came to offering an alternative course in Lebanon, the Democrats hesitated. Speaker O'Neill asked two confidants, Representatives Dante B. Fascell of Florida and Lee H. Hamilton of Indiana, to draft a resolution for Democratic leaders to study this week. Reports indicate that while the resolution will advocate a rapid withdrawal from Lebanon, it will not set a specific timetable.

The reason is that many members of Congress, no matter how fiercely they disagree with a President, are reluctant to contradict the Commander in Chief on a military matter. Moreover, Democrats fear the following scenario: Congress forces the withdrawal of the marines, the Beirut Government collapses and the Republicans set up the campaign cry "Who lost Lebanon?"

Republicans generally agree that foreign policy is their biggest problem right now, but one reason for that, many party leaders say, is that the recovery has dimmed public concern about the economy. And as last week demonstrated, the Democrats are still confused about how to handle the deficit issue.

From one angle, they used the budget gap to revive the "fairness issue" of 1982, and ascribed the deficit to President Reagan's "cruelly deranged" priorities, in the words of Representative Jim Wright of Texas, the majority leader.

Representative Tom Harkin of Iowa, who will oppose Senator Roger Jepsen in November, appeared on the official party response to the State of the Union address and delivered a classic Democratic blast. "President Reagan's tax breaks for the rich and his increased wasteful military spending have tripled his deficits," Mr. Harkin said.

From another angle, Democrats hammered the theme that budget deficits will eventually cause higher interest rates, choke off the recovery and "mortgage the future of our children."

Among the party's Presidential candidates, Walter F. Mondale weighed in with his own proposal to cut the deficit by \$130 billion. But most of that would come from trimming the defense budget and raising taxes, two moves that President Reagan has already appeared to rule out.

As a result, Democrats on Capitol Hill were particularly cautious when the President proposed a bipartisan effort between White House and Congressional leaders to agree on a \$100 billion package of budget reduction measures. We'll come to the table, they said, but only after this Wednesday, when the President presents his budget, makes his own proposals and takes responsibility for the problem.

"If he thinks he's going to hide in the Rose Garden, he's wrong," Speaker O'Neill said of the President. "America is going to understand his lack of sensitivity, his lack of knowledge of the government." But by week's end, for all their brave talk, the Democrats were still looking for a way to challenge Mr. Reagan.

Many Voices Oppose Space Station But Reagan Hears NASA Loudest

WASHINGTON THE National Aeronautics and Space Administration scored a startling political coup last week when President Reagan endorsed plans to develop a multi-billion dollar manned space station despite concern over the Government's enormous budget deficits.

In his State of the Union address, the President, urging the nation to "reach for greatness again" and "follow our dreams to distant stars," announced that he was directing the agency to develop a continuously manned space station within a decade.

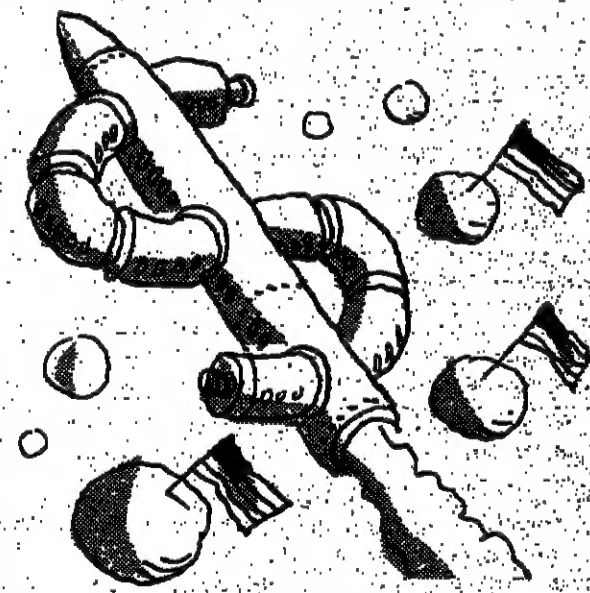
The next day NASA unveiled the outlines of a space station "concept." It would consist of a central facility assembled from smaller modules hauled into space separately, and would serve as living and working quarters for crews of six to eight people. Additional unmanned modules would be stationed nearby to house scientific instruments and manufacturing facilities that might be disrupted by vibrations from the crew. The crew would conduct scientific experiments, perform astronomical observations, and manufacture drugs or other materials in the weightlessness of space.

The total estimated cost for this array was put at

about \$8 billion, a sum that left many analysts wondering how NASA had managed to win approval for the new program in a year of budgetary stringency. The station had been opposed by the Office of Management and Budget, the Defense Department, the intelligence community, and leading space scientists who argued that the tasks could be performed more cheaply with unmanned satellites or a modified space shuttle.

The space agency prevailed partly, it seems, by picking up useful allies. Several middle-level White House staff members backed the proposal and gradually pushed it near the top of Mr. Reagan's agenda. The Commerce Department enthusiastically backed the station as a way to encourage more commercialization of space. Mr. Reagan emphasized that aspect of the program yesterday in his radio address. He said that American industry would be encouraged "to move quickly and decisively into space."

Perhaps most important, according to White House and NASA officials, it was agreed that the station would not be allowed to drive up the Federal budget any time soon. The first year's expenditure would be only \$150 million and thereafter the space agency's budget would

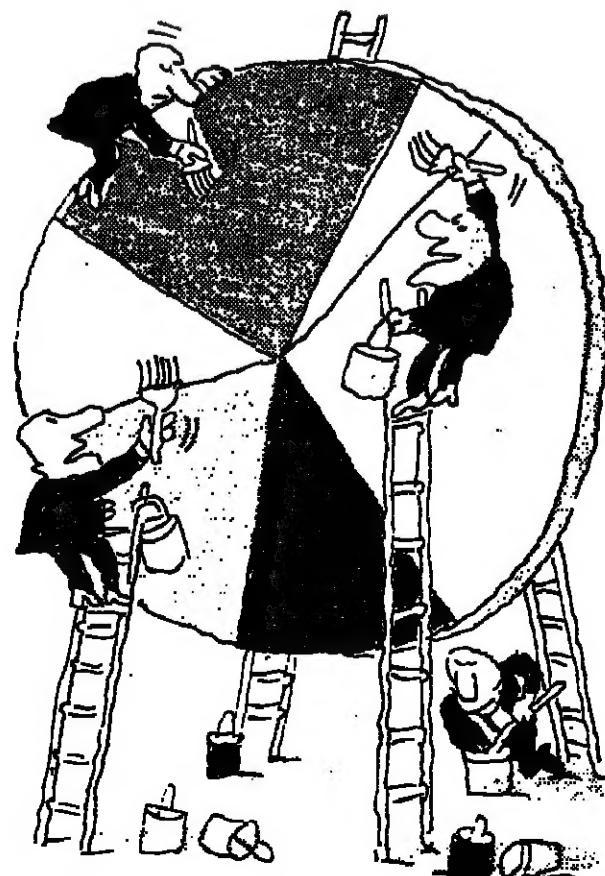


be allowed to rise only 1 percent above the inflation rate for about five years.

But in the final analysis, many participants say, the space station was approved because it appealed to Mr. Reagan personally. "The President loves it," one official said. "You don't have to look much farther than that."

—PHILIP M. BOFFEY

Opposition Wary of President's \$100 Billion Gauntlet



WASHINGTON

PRESIDENT REAGAN will send Congress a fiscal year 1985 budget this week with very few domestic spending reductions, some minor tax increases and a projected deficit of \$180 billion.

That's the official proposed budget. It was designed with the election year in mind and perhaps with the thought that because little in the way of deficit reduction could be achieved, little should be proposed. The deficit is projected at \$184 billion for 1984 and \$180 billion in 1985, possibly dropping to \$122 billion by 1989.

At the same time, in a surprise invitation in his State of the Union message last week, Mr. Reagan said he hoped to work with both parties in Congress to come up with a package of spending cuts and tax increases that would put the lie to those projections by producing a deficit reduction of \$100 billion over three years.

"If you believe the negotiation process will work, then the budget isn't written yet," said one budget aide last week. "If you believe it will not work, then the budget is the one we released Wednesday."

But the President's offer was still "murky," as one Administration official put it at week's end. White House aides said the \$100 billion in reductions mentioned by the President was not intended to be "added" to the spending cuts and minor tax increases that will be proposed in the official budget. So it is unclear how far beyond the proposals Mr. Reagan will present this week the Administration wants to go in reducing the deficit.

The invitation to work with the President on deficit reductions got a wary reception from Democrats. Some suspected that Mr. Reagan might be setting a political trap for them, getting them to share the blame if all

came to naught. Some Republicans, on the other hand, were enthusiastic. Senator Bob Dole of Kansas was ready for an immediate budget summit.

"We can't squander this opportunity," he said. "For some time responsible members of both parties have been demanding some kind of summit on the budget. Now we have been given the chance and we should make the most of it." On paper, it is not difficult to compile \$100 billion in deficit reductions. Tax writers in the House and the Senate already have assembled a variety of minor tax increases and "loophole closers" that could raise from \$30 billion to \$40 billion over three years. The Administration has already indicated that it will include much of this package in the proposed budget.

On the spending side, the House already has approved a set of proposals that would trim outlays by \$10 billion over three years. And the Senate is ready to begin considering a package that would trim about \$14 billion over the same period.

With some trimming of the military spending proposed in Mr. Reagan's budget, which is what the Democrats are interested in, the savings could grow by another \$20 billion over three years. Administration proposals to limit Federal pay raises to 3.5 percent and freeze some cost-of-living increases for veterans and retired Federal workers would push the figure higher.

Before any of that happens, however, the Democrats in the House, the Republicans in the Senate and the Administration will all have to agree, a chancy prospect. Domestic spending reductions would be difficult for many Democrats and Republicans; the President is likely to resist cuts in military spending, and all would like to avoid tax increases in an election year.

—JONATHAN FUENFBRINGER

The World

Latest Lebanon Peace Offer Is Rebuffed

The Lebanese Government made a peace offering to the Druse opposition last week but it evidently wasn't good enough.

Walid Jumblat, the Druse leader, called on Lebanon's President Amin Gemayel and his Government to resign, but Prime Minister Shafik al-Wazzan went ahead anyway with a conciliatory announcement. He said the army would take back without prejudice or penalty 800 Druse officers and men who left the ranks in September when the army moved against their coreligionists in the Shuf mountains.

Lebanese officials said American and Saudi Arabian diplomats had told them the move would be a step toward a security agreement to halt the fighting — a key condition for eventual withdrawal of American troops in the multinational force. But a top Jumblat aide rejected the proposal, calling instead for changes in command and policies to keep the army out of internal conflicts.

The Reagan Administration, meanwhile, resumed its effort to get \$220 million from Congress to equip 8,000 Jordanians who would be available to help put down insurrections in Persian Gulf countries. Last year, Israel opposed the plan and Congress rejected it. This time Israeli officials seemed less adamant. They said they were "studying" the proposal.

Israel made no bones, however, about opposing the sale to Saudi Arabia of West German anti-aircraft tanks and armored personnel carriers. When officials in Jerusalem urged Helmut Kohl, the visiting Chancellor, to stop the sale, he seemed reluctant. "German policy is made in Bonn and not in Israel," Mr. Kohl observed.

Vatican Linked To Nazi's Escape

The Vatican helped many people emigrate from Europe after World War II. Last week, it was accused of helping a well-known French Nazi hunter and his wife escape from the United States. The State Department report indicated Vatican involvement in the illegal flight of Nazis, in particular Walter Rautf, a former SS colonel wanted for the gassing of thousands of Jews in mobile vans.

Mr. Rautf, now 77 years old, has been living in Chile for more than 25 years despite efforts to bring him to justice. He told the Chilean Supreme Court 20 years ago, according to Serge Klarsfeld, a Nazi hunter who lives in Paris, that Vatican City convents had given him refuge for 18 months after his escape from American troops who had arrested him in Milan in 1945. Among calls for his extradition was a request last week by Israel for his extradition.

Another source for the allegation of Vatican protection of Nazis was a hitherto secret report made in 1947 to the State Department by one of its diplomats in Rome, Vincent La Vista. Mr. La Vista called the Vatican "the largest single organization involved in the illegal movement of emigrants," including Nazis; and contended that the Vatican had put pressure on countries where Roman Catholicism was dominant, to facilitate the entry of former Nazis and fascists "and other political groups so long as they are anti-Communist" and, apparently, Catholic. Justification for the Vatican's action, at the same time, it was fostering legitimate emigration, was "propagation of the faith," the report said.

Withholding comment, the Rev. Romeo Panciroli, head of the Vatican's press office, said time would be needed to consult the archives. "I wasn't here at the time and it's a big issue," he said. In the past, similar allegations have been answered by the argument that while some priests may have helped Nazis, there was no proof they had the approval or even the knowledge of the Holy See. Jewish groups in the United States called on Pope John Paul II to investigate the latest charges.

An Opening in Southern Africa

Sighting a "window of opportunity" for a regional peace settlement in southern Africa, Assistant Secretary of State Chester A. Crocker tried to prop it open last week. He conferred with Prime Minister P.W. Botha and other South African officials in Cape Town on prospects for widening South Africa's offer of a one-month pause in its incursion into Angola.

Mr. Crocker carried an appraisal of Angola's readiness for a package deal that could eventually revive the independence process in South-West Africa and bring about the departure of 25,000 Cuban troops from Angola. Frank G. Wisner, Mr. Crocker's deputy, has been meeting with Angolan officials and Portuguese intermediaries in what Angolan Presi-

dent José Eduardo dos Santos called "intensive diplomatic activity."

Two thousand South Africans sent into Angola in December have begun withdrawal with the onset of the rainy season, which lasts through March. As a condition for total withdrawal, Pretoria wants Angola and Angolan-supported nationalist guerrillas to halt military forays against its occupation of South-West Africa, or Namibia. Angola and the South-West Africa People's Organization have refused, at least in public.

Angola has also said it will send the Cubans home only after Namibia gets its independence under United Nations-supervised elections. The



Chester A. Crocker

Angolan Government relies on Cuban troops and 7,000 East German and Soviet advisers to fight off South African-backed Angolan insurgents led by Jonas Savimbi. The United States is offering diplomatic recognition of Angola after the Cubans go, and hinting at economic aid.

Exile Crackdown Getting Nowhere

Death squads in El Salvador are suspected of getting financial help from wealthy Salvadorans living in the United States. But despite a promised crackdown, Federal officials last week acknowledged little progress in curbing the exiles, most of whom live in Miami.

While the Reagan Administration has put steady pressure on the Salvadoran Government to end the right-wing terrorism, the resources of the Federal Bureau of Investigation, the Internal Revenue Service and the Customs Service have apparently been insufficient to gather evidence to move against 28 Salvadorans listed by the State Department last year as involved in the killing of civilians in their home country. The list contained no specific charges or evidence and the result, according to a Justice Department official, has been that "this is more a phantom crackdown than a real one."

A list prepared by the American Embassy in San Salvador in 1981 contained specific allegations about six exiles but, according to Robert E. White, the ambassador at the time, there was no follow-up in Washington. "If you are trying to get evidence against the Miami exiles that would stand up in court, you'll never get it," Mr. White said last week. "We don't owe them a thing," he added. "The Government should simply expel them."

Among the exiles whom officials have expelled are many who fled El Salvador in fear for their lives. The Immigration and Naturalization Service said Salvadorans could not be granted asylum simply on the ground they might become the victims of "random violence." But the Center for Immigrants' Rights, a civil liberties group, said it was checking evidence that some 50 Salvadorans who were reported killed after being sent back from the United States had figured on death lists. Last week, there was a reminder that death lists also work the other way. Mario Arnaldo Pohl, a rightist member of Parliament, was shot to death on the outskirts of the capital as he tried to flee in his car from an ambush.

As for random violence, Linda Louise Cancel, an American woman traveling with her common-law husband and two children in eastern El Salvador in a converted school bus, was killed when shots were fired into the vehicle. The husband, Curtis H. Lewenz, reportedly ignored an order to halt, but who gave the order was not clear. Mr. Lewenz and an American embassy official said they believed the order; and the shots, came from the rebels.

Henry Giner and Milt Freudenthal

Kerr Assassination May Have Been a Watershed



The New York Times/Lagberg Lippman
Students on the campus of the American University of Beirut.

U.S. Cultural Influence Is Also Under Fire in Beirut

By THOMAS L. FRIEDMAN

BEIRUT, Lebanon — The brutal murder this month of the president of the American University of Beirut, Dr. Malcolm H. Kerr, has raised serious questions among intellectuals and artists in Beirut about the future of America's cultural presence in the Middle East.

United States educational and cultural programs in the area, embodied by institutions like the American Universities of Beirut and Cairo and Roberts College in Turkey, are not threatened by the radical nationalist countries such as Syria or South Yemen, which despite their political opposition to the United States still crave its educational offerings.

How else to explain the fact that Rifaat el-Assad, the brother of Syrian President Hafez el-Assad, chose to enroll his children in school in Washington and not Moscow?

Rather, they are threatened by the widening influence of Iranian-style Moslem fundamentalists, who have let it be known that they are not out just to erase the American military presence from the region, but much more.

Only last month Ashgar Musavi Khoeyi, who led the attack against the American Embassy in Teheran and is now a member of the Iranian Parliament, declared that the main objective of the Islamic revolution was to "root out" American culture in the Moslem world.

And it was a caller claiming to represent a shadowy pro-Iranian Moslem fundamentalist alliance called Islamic Holy War who boasted of responsibility for the Jan. 19 murder of Dr. Kerr.

In a way, noted Samir Khalaf, a sociology professor at the American University of Beirut, institutions like his are much more threatening to Moslem fundamentalists than the Marines are.

"The Marines are here today but they will be gone tomorrow," he said. "Their impact on the way people in the Middle East think about themselves and their environment will be nil. That is not true of the A.U.B."

On the surface, there is little that seems "American" about this university. Walking

through its park-like campus feels much like a stroll through any other college in Kuwait or Riyadh. But inside the buildings something very different is going on. It is a style of education fostering freedom of speech and thought, self-criticism and liberalism. Moreover, it is pursued with American standards of excellence that made this campus probably the freest and most dynamic corner of the Arab world.

"The impact over the years that A.U.B. education has had on generations of writers, journalists and researchers has really been revolutionary in its own way," noted Mr. Khalaf, "probably much more revolutionary than any of the political revolutions in the Middle East."

The students were always rebels in their day, added Kamal Salibi, the chairman of the school's history department. His own grandfather, he recalled, was thrown out of the university in 1882 when it was a church-sponsored institution — for supporting Darwinism.

"The A.U.B. taught them to think along clear and rational Western lines," Professor Salibi said. "But it never tried to stamp out the Arab character of its students. In fact it taught them that it is a disgrace to betray your culture."

The Inhibiting Effects

But because this style of education comes under the rubric of "American," it has been denounced as evil by the most extreme Moslem fundamentalists, probably because it challenges the core of their beliefs, the way that they think and look at the world at large.

Despite all the speeches about how America will not be intimidated by threats to its cultural institutions, its enemies are making themselves felt. Dr. Kerr's predecessor as head of the Beirut school, David S. Dodge, was kidnapped and held in Teheran for months. The chances for finding another distinguished American academician to replace him is considered close to nonexistent.

The American Embassy faces an all but impossible task when it tries to bring artists and lecturers to Lebanon, because of the dangers posed to American-sponsored functions. The American library, formerly housed in the embassy, was not replaced after the April 18 bombing that de-

stroyed the building.

"Institutions here are desperate for American cultural programs, lecturers, Fulbright scholars and films," Carol Madison, the embassy's cultural attaché, said, "but it is just very difficult for us to bring people over here in this security environment. We try to work more through videotapes and radio instead."

The owner of one of Beirut's biggest art galleries said he would no longer think of putting on an exclusively American show, for fear of threats by anti-American elements.

"TNT is cheap, my friend," said the gallery owner. "I have to watch my step."

Any diminution of the American cultural presence in Lebanon is felt throughout the entire Middle East. Beirut is still the cultural and intellectual hub of the Arab world and the only Arab capital where people can still think, speak and write with relative freedom. It is a melting pot of ideas in which the spirit of institutions like the American University is amplified and given a regional resonance. Because of the fighting around Beirut, the proportion of non-Lebanese Arab students at the school has dropped to 15 percent, half of what it was in more tranquil times.

There are some who might argue that if America's cultural presence is being rejected, then why not just pack, go home and forget the headaches? Such a withdrawal, however, would not only disappoint many people of different political persuasions but could have a devastating impact on America's long-term interests in the Middle East.

"It is thanks to institutions like the A.U.B.," said Professor Salibi, "that despite the hatred for American policy in the area there is an underlying cultural understanding of the United States. That is where the Soviet Union always fails. If you remove the A.U.B., you will be removing the core of what binds the Arabs to America."

While it is true that the American University has produced its share of rebels, such as the Palestinian guerrilla leader George Habash, they come with the freedom that such institutions require.

"For every George Habash," remarked Ghasan Tuani, publisher of the Beirut newspaper *Al-Nahar*, "the A.U.B. bred a generation of bankers, businessmen and men of letters who can communicate with America and are naturally sympathetic to it."

Still, many of Malcolm Kerr's colleagues are wondering whether his death may mark the end of an era in which the best face of America came together with the most open and curious instincts of the Arabs and produced an exchange of lasting benefit to both cultures. If it is the end of that era, it is hard to tell who will be the bigger loser.

Chief Rabbinate Expressed 'Sorrow and Pain' Last Week

Israel Begins to Note Jewish Terrorism

By DAVID K. SHIPLER

JERUSALEM — Politically motivated, indiscriminate attacks on innocent civilians have long been a danger of life in the Middle East. The terrorism has been practiced most steadily by Arabs against Jews or other Arabs. But now and then, there have been flickers of terrorism by Jews, followed by spasms of self-criticism by other Jews about the ills they see in the Zionist movement and in Israeli society.

In the past, Jewish terrorism has often been aimed at the powerful, such as the British in pre-independence days, from a mood of profound vulnerability. Now, however, it derives from strength. It has been directed at the minorities in Israel: the Arabs, the Christians and, in one instance, a group of liberal Jews. It has begun to stir concern among political and religious leaders and has stunned the police, who have not made arrests in most of the cases. Israeli leftists charge political interference with the police investigations of Jewish settlers in the West Bank. Some police officials talk, in turn, of interference from the army in the occupied areas. Defense Minister Moshe Arens has asked for more police in the West Bank.

There is no hard proof that the terrorism in Israel and the occupied West Bank in recent months has been the work of Jews. There are only assumptions based on the targets and the weapons — assumptions so widely held that last week, they became the subject of a Cabinet discussion and of a declaration by Israel's Chief Rabbinate expressing "sorrow and pain over the bad spirit current in the country, of reconciliation to the use of violence."

Methods have varied from amateurish booby traps rigged with hand grenades outside mosques and churches to a professional-looking attack with automatic weapons on an Arab college. Some operations appear to have been run by organized groups, some by fanatical fringe elements acting alone out of religious and ethnic zeal.

The violence has been facilitated by apparently large-scale thefts of hand grenades and other weapons from Israeli Army depots — including arms captured during the Lebanon war — and their widespread sale in the Israeli underworld.

Ten days ago, the police announced the arrest of a 20-year-old Jew, David Shemtov, on charges

of theft and sale of grenades. He led the authorities to Yona Avruskhi, 28, the man the police now believe threw a grenade last Feb. 10 into a Peace Now demonstration outside the Prime Minister's office, killing a man and wounding nine others. Mr. Avruskhi, who lost a brother in the 1973 war and a brother-in-law in the Lebanon war, had worked at a West Bank settlement, where his former boss recalled his speaking of Peace Now members as "traitors."

"It was an expression of a sentiment harbored by a sizable section of the community," The Jerusalem Post editorialized last week. The paper noted that former Defense Minister Ariel Sharon, referring to a left-wing member of Parliament, had recently remarked, "Yossi Sarid and his friends won't be happy until the enemy marches into Tel Aviv." Observing that the phrase was obviously "a euphemism for Peace Now and its sympathizers," The Post declared: "Those big-time political operators who helped foster that sentiment cannot now evade their responsibility."

Indeed, the idea of a Jewish organization to combat terror with terror was endorsed earlier this month by 18.7 percent of 1,292 Israeli Jewish adults who did not live in the West Bank, according to a poll published by The Jerusalem Post.

Some of the terrorism and vigilantism against Arabs has apparently been meant as retaliation for terrorism against Jews. On July 26, after a Jewish settler, Aharon Gross, was stabbed to death in the Hebron market in the West Bank, three or four masked men ran into the Islamic College in Hebron, threw a grenade and sprayed crowds of Arab students and professors with automatic weapons fire, killing three people and wounding 33. They made a clean getaway and have not been arrested.

A rash of anti-Arab attacks began after a bomb was placed on a Jerusalem bus on Dec. 6, killing six Jews, including an American tourist, and wounding 41. On Dec. 8, a Jewish settler whose car may have been hit earlier by stones ran down a side street of the West Bank city of Nablus and



Israel Press & Photo Agency
Mourners at funeral for Emil Grunzweig, killed last year by a grenade at anti-Government rally in Jerusalem.

fired into a bakery, killing an 11-year-old girl and wounding her 9-year-old sister. Two Jews from Elon Moreh, a nearby settlement, have been arrested. The day after, four booby-trapped grenades of Israeli Army issue were found at the entrances to Christian institutions on Mount Zion in Jerusalem, and a fifth near a Jerusalem mosque. Most Christians here are Arab. There were at least four other incidents apparently directed against Arabs during the month.

Each time, news organizations have received calls from a man claiming responsibility on behalf of "Terror Against Terror," whose initials in Hebrew are T.N.T. "When Jewish blood is spilled," he says, "Arab blood is spilled."

Japan Extends a Helping Hand to Asia, but Only So Far

By CLYDE HABERMAN

TOKYO — A well-worn word in Japan these days is "international," meaning just about anything from foreign diplomacy to the prevalence of Western faces in television commercials. An "international Japan," the thinking goes, will obviously not be treated like the old Japan, which earned enemies by its insularity, its exclusive preoccupation with selling its products and its potential for military menace.

How much the country worries about its reputation was evident last week when Prime Minister Yasuhiro Nakasone's Cabinet adopted a \$217 billion budget, which was the most austere in 29 years. Few agencies escaped the budget cutters and only two programs received sizable increases. Not coincidentally, both have international dimensions — defense and foreign economic aid.

The increase for the military, 6.55 percent, received greater attention, mainly because of concern about the reaction in the United States, where some feel that Japan gets a "free ride" on defense at American expense. Mr. Nakasone had calculated that 6.55 percent would be large enough to avert criticism.

But even with this extra money, bringing the total to \$12.6 billion, Japan will fall farther behind in a planned five-year buildup whose principal goal is to lift some of the burden of sea patrol from the overtaxed United States Pacific fleet.

Relatively few people paid attention to the foreign aid budget, but it rose far more steeply, by 9.7 percent, to \$2.3 billion. This, too, reflected an overriding Government concern with overseas opinion, a desire to erase a widely held notion that Japan does not care about other people's troubles.

Starting near bargain-basement levels two decades ago, Japanese development assistance has increased almost 30-fold. The Government says it is committed, in the 1981-to-1985 period, to spending a total of \$21.4 billion, double the amount provided in the previous five years.

However, despite the additional 9.7 percent, the Government lost ground in its aid-doubling plan. Fiscal rigors have produced smaller increases. To reach the goal now, spending would have to rise by an improbable 30 percent both this year and next.

Most of the aid money goes for big development

projects — an electronics factory in India, a power plant in Malaysia — rather than small-scale food or health programs. Japan's fellow Asians receive the largest share, 70 percent. The rest goes in roughly equal parts to Latin America, Africa and the Middle East. A considerable portion tends to wind up with important trading partners for Japan, but hardly all. Bangladesh and Burma received 13.5 percent of total assistance two years ago, and neither country offers enough trade to keep Japanese exporters awake nights.

There is domestic debate about whether Japan is

generous. That depends on how one counts. Among the 17 contributing nations of the Organization for Economic Cooperation and Development, Japan ranked fourth in 1982, the latest year for complete statistics. It disbursed \$2.3 billion, exceeded only by the United States, West Germany and France, which would have slipped a notch if aid to French overseas territories did not count.

On the other hand, Japan was No. 13 in share of gross national product — 0.28 percent — spent on foreign aid. The development organization recommends 0.7 percent. However, the average for the 17 countries was only 0.35;

the United States lagged behind Japan with 0.27 percent. The timing of benefits to recipients is difficult to determine. The new budget measures only how much Japan is committed to provide at some later point, not necessarily how much will be spent this year, which could reflect past promises only now coming true. The 1982 budget, for example, committed \$1.9 billion to future spending; \$2.3 billion was disbursed that year.

Then, too, fluctuating exchange rates can unexpectedly compress or expand the assistance program like an accordion. Japan, for the most part, spends its money in yen but other contributing nations gauge performance in dollars. Measured in yen, Japanese bilateral aid in 1982 rose by 18.3 percent above the previous year. However, because the yen's value dropped sharply that year, the increase in dollars amounted to only 4.7 percent.

Figuring the Politics

Foreign Ministry officials are hoping for a strengthened yen this year that would make the 9.7 percent increase look even better.

Like other affluent countries, Japan is not without political calculation in determining who gets what. Last winter, when Mr. Nakasone became the first postwar Japanese Prime Minister to visit South Korea, he took along a \$4 billion package of loans and cheap yen credits. He did the same thing later in Southeast Asia, where many countries are uneasy about Japanese economic expansion.

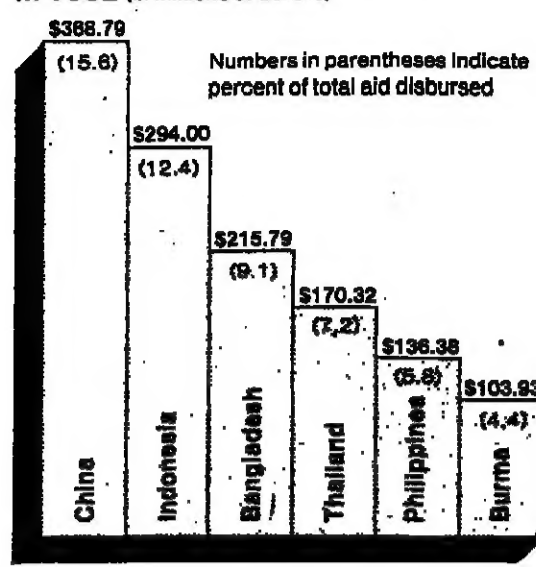
Some critics complain of waste. Others say too much aid comes in the form of loans and not enough as grants that could be spent as the recipient nation wishes. Still others would like more money channeled through international organizations than the relatively slender \$283 million committed for 1984.

Government defenders reply that, for all the criticism, percentage increases have been large. Besides, they say, any aid effort is akin to swimming upstream. Giving freely, especially to countries looked down upon by many Japanese, is simply not a habit.

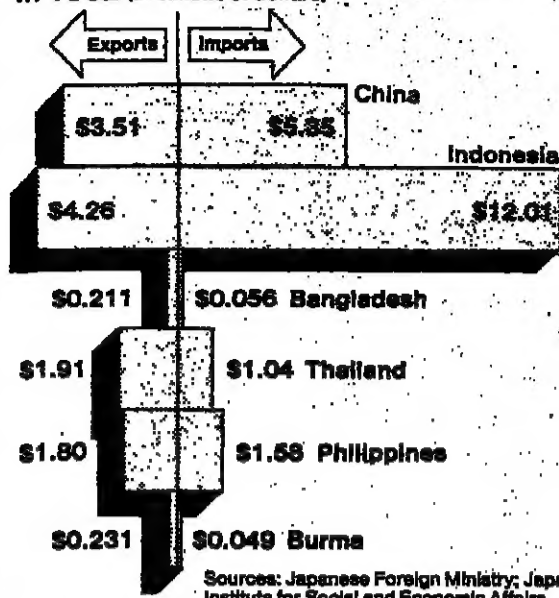
In no other big industrial nation do nongovernmental groups offer as little overseas assistance. In the United States two years ago, private organizations provided 17.6 percent as much aid as the Government. In Japan, the figure did not reach even 1 percent.

Aid and trade

Principal recipients of Japanese official development assistance in 1982 (in millions of dollars)



Japan's trade with aid recipients in 1982 (in billions of dollars)



Inflation, Employers and the Government Put Pressure on Labor Unions

Keeping the Lid on Mexican Wage Increases

By RICHARD J. MEISLIN

MEXICO CITY — Most Mexican workers are losing ground in their battle with inflation, and this backsliding raises questions about how long labor peace can last.

With industry faltering and the Government trying to bring down inflation by restraining public spending, most union leaders in the last two rounds of wage negotiations have talked big but delivered relatively little to their followers. Only a few unions, those that play a strategic role in the economy, have been able to win significant concessions. The increase in the minimum wage, which sets the pattern for most labor settlements, was 50 percent last year. But even the Government admitted to an inflation rate of 80 percent and the unions asserted it was in fact far higher.

Government officials are trying to gauge labor's reaction carefully. The power of the unions to keep their members in line is viewed here as one of the main reasons Mexico has not suffered the social unrest of some of its southern neighbors under tough austerity programs. A miscalculation of worker tolerance, they acknowledge, could have devastating effects.

In the past year, the chiefs of the country's largest union, the Mexican Workers Confederation, have twice had to retreat from their demands for increases matching the inflation rate.

After weeks of hearing their leaders call for nothing less than 50 percent increases, most workers found themselves settling for 15 to 20 percent last summer. An initial settlement of a 30 percent increase in the minimum wage earlier this month apparently will set the pattern for January settlements for most workers.

A major reason for such concessions by labor is the fact that the confederation, which has 5 million members, is an affiliate of the ruling political party, the Institutional Revolutionary Party, along with the major peasants confederation and a heterogeneous group that includes business people.

This structure helps keep the country's main economic groups in line behind the Government. The labor confederation's 85-year-old leader, Fidel Velazquez, supports the Government's view that with a combined unemployment and underemployment rate of about 50 percent, it is more important to preserve jobs than to get huge raises for those who already have them. He frequently talks of the need for labor "solidarity with the Govern-

ment" to overcome the economic crisis. The labor movement's tendency to bargain with each company separately, instead of industry-wide, also hinders its cohesion and effectiveness.

"The trouble is that workers are at a disadvantage in respect to employers," Jorge Tapia, head of the independent Electric Power Workers Union, said last week. "Employers are well organized, while the labor movement operates through small divergent groups."

Some unions are more successful at getting concessions than others. The Government's reliance on oil to keep Mexico's economy afloat has allowed leaders of the oil workers' union to amass enormous political power. The leaders have managed to avoid serious scrutiny under the Government's anti-corruption campaign, despite widespread questions over what the union does with the huge fees it receives from the Government-owned monopoly, Petroleos Mexicanos. Benefits have filtered down to the union rank and file, too. When other Mexican workers were receiving 15 to 20 percent increases last summer, the oil workers received raises on the order of 40 percent.

A plan to decentralize the country's educational system was scaled back by the new Government last year

after the leader of one politically influential teachers union, fearing that the changes would lessen his influence, threatened strikes at about the same time the Government was entering sensitive wage negotiations.

These concessions are relatively minor, however, compared with President Miguel de la Madrid's success in manipulating the main labor confederation. Mr. Velazquez, who has headed the confederation since 1946, has been given a good deal of credit by Government officials and outside analysts for the stability maintained so far.

But the disappointment of workers has sparked new questions of how long that can last. Independent union leaders have criticized what they describe as Mr. Velazquez's meek acceptance of the latest minimum wage increase as well as his ties to a Government they see as increasingly antilabor. There are warnings of an outbreak of strikes.

Other analysts see Mr. Velazquez holding strong. "He has been king of the hill, labor-wise, through seven presidents and is extremely influential," said one labor expert here. "Other people are saying he's starting to lose his grip, but I see no signs of it."

What is worrisome to the Government is that Mr. Velazquez, who has been in the labor movement for some 60 years, has again begun to talk about retiring. They see on the horizon no one with a similar hold on labor.

"There is no clear successor to Fidel," said one Government official. "When he goes, who knows what will happen?"

The United States and Soviet Union Are Set to Resume Withdrawal Talks in March

New Moves in the Numbers Game Over Troops in Europe

By DREW MIDDLETON

The first military negotiations between the United States and the Soviet Union since December will begin on March 16 when the North Atlantic Treaty Organization and the Warsaw Pact resume talks on mutual and balanced force reductions in Europe. The resumption of the talks — one of the few forums anywhere at which the two countries will be together negotiating — was announced last week by Secretary of State George P. Shultz.

The M.B.F.R. talks, as the diplomats call them, opened over a decade ago, when the United States delegation operated under the shadow of Senator Mike Mansfield's resolution calling for a reduction in American force levels in Europe. Little progress has been made and NATO diplomats describe the talks as the longest-running road show in postwar diplomatic history.

Yet the Soviet Union, after breaking off bilateral negotiations on control of nuclear weapons last fall, has shown what military and diplomatic sources describe as "faint signs" of willingness to begin talking seriously in Vienna.

These sources are moderately encouraged by a Soviet willingness to include consideration of on-site inspections of troop withdrawals from both NATO and Warsaw Pact countries. At meetings last summer, the Soviet Union talked about establishing exit and entry points for troop movements on the Central Front in Europe, which runs from the base of the Danish peninsula to Switzerland. These points would be manned by military officers from both sides who would inform the governments involved of what forces were moving in or out.

Some non-American NATO diplomats also see the resumed talks as a way for the Russians, if they wish, to reopen negotiations on the stationing of intermediate-range missiles in Europe. The Russians broke off talks on this subject in Geneva on Nov. 23, just after the first American Pershing 2 and cruise missiles were deployed in Britain, West Germany and Italy.

The Vienna talks, however, have not dealt with weapons of any kind but simply with numbers of troops. The sticking point has been differing appraisals of the strength of the Warsaw Pact forces on the Central Front.

The Western alliance reckons the strength of the Pact forces facing NATO as 1,160,000 men, 530,000 of them Russian. Of the total, 960,000 men are classified as ground forces and 200,000 as air force personnel. The Russians, however, contend that their side's strength is no more than 980,000, of whom 446,000 are Russians. According to these figures, 797,000 are in ground forces and 183,000 in the air force.

Geography has created another problem. The Russians have proposed the withdrawal of 20,000 Soviet troops and 13,000 Americans. From the outset, America's European allies have protested that this is an alarmingly bad bargain. The Americans, who with the Ger-

mans and French form the basis of Western European defense, would leave the continent for the United States while the Russians could retire into Poland or, at best, the western military districts of the Soviet Union, where they would be unlikely to be demobilized.

Military sources who are knowledgeable about Soviet military doctrine also stress the futility of force reductions in the light of evolving Soviet plans. The danger to Western Europe in the event of Soviet invasion, they emphasize, lies not only in the force available for the initial onslaught but in the reserve armies, known as "the second echelon," that would reinforce the onslaught from bases in Poland, Czechoslovakia and other Warsaw

Pact states. In their view, Soviet force reductions on the Central Front would result in a minimal reduction in the invading force while transferring first-class divisions into the second echelon forces.

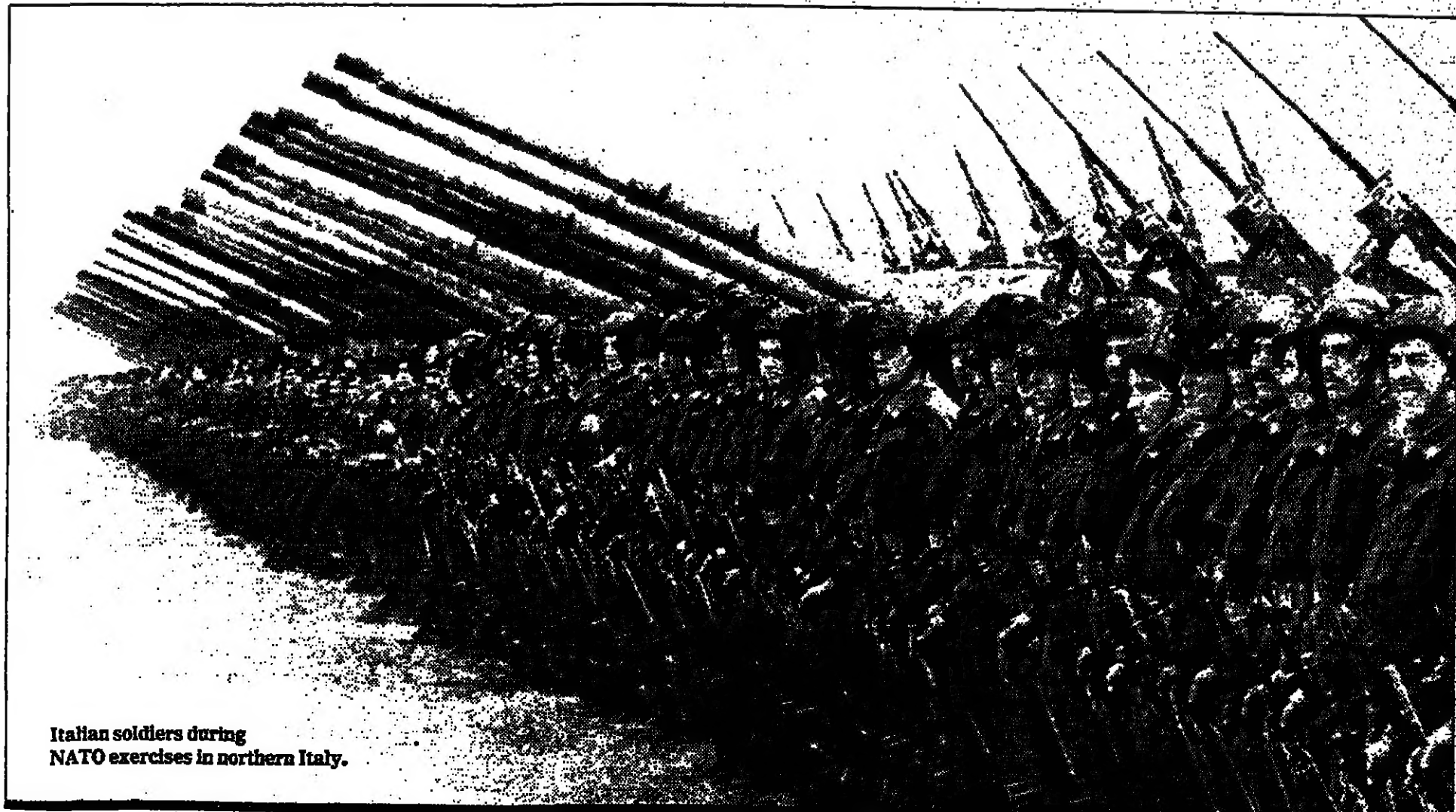
When the talks were convened in Vienna in 1973 they were hailed by some participants as a breakthrough that eventually would reduce troop strengths and tensions in Central Europe. At the time, a Norwegian ambassador characterized the talks as "the most important single development in postwar diplomatic history." Since then, NATO military opinion on both sides of the Atlantic has grown increasingly skeptical of the value of the talks.

In addition to the geographical problem, skepticism

is caused by the fact that as now constituted, the talks do not deal with the quality, training and equipment of troops, or with nuclear and chemical weapons.

According to a NATO source, it would be possible for the Russians to pull 20,000 men out of the Central Front while leaving their combat formations largely intact. "Any army can get by in combat with a few thousand less support and maintenance people, especially the Soviet army, which would be fighting on its doorstep," he said.

"But you people (the American Seventh Army) are very tightly structured and very far from home," he added. "Any withdrawal of 13,000 men, whatever their duties, would weaken the combat ability of your army."



Italian soldiers during NATO exercises in northern Italy.

Heroes of the Economic Recovery

While most Americans would credit Reagan, Volcker's Fed played a key role. And some say Congress was a major factor, too.

By KAREN W. ARENSON

ASK yourself, are you better off than you were four years ago?

When Ronald Reagan posed that question in a debate just weeks before the 1980 election, Americans answered with a strong negative.

But now that President Reagan has had three years in the White House and another Presidential campaign is getting under way, polls show that a majority of Americans feel that they are better off than when he took office. Inflation has been sliced by more than half. Unemployment has fallen sharply. Productivity and disposable personal income are both rising at a healthy clip.

But if the current economic recovery is clearly making Americans feel better, what is less obvious is what brought about the upturn and who should get the credit — a crucial question in this election year. Barring an international catastrophe, the state of the economy will be one of the most important issues, if not the No. 1 issue, in November.

For many American voters, President Reagan is the hero of the tale. According to a mid-January New York Times/CBS News Poll, 66 percent of those polled said they think the economy is better today than one year ago. Of this group, 49 percent considered the President most responsible, another 10 percent credited the Government, and 7 percent, the Republicans.

The President's advisers, of course, agree that Mr. Reagan deserves the credit for the recovery under way. As Martin S. Feldstein, chairman of the President's Council of Economic Advisers put it last week: "Who makes economic policy? That's easy — the President. Obvi-

ously not in all kinds of detail. But it is the President who is the driving force."

In fact, the economic policies of the past three years have been only partly those the President recommended. The tax cuts were larger and later, the spending cuts were smaller. And many economists say that the Reagan program, notwithstanding the much-touted differences between its supply-side economic elixirs and traditional economic remedies, has not been a significant departure from the past.

"Reagan became the ultimate Keynesian," said Lester Thurow, an economics professor at the Massachusetts Institute of Technology. "Regardless of what he said he was doing, it was simply the old Keynesian medicine at work: stop and go economics. It got us out of the worst recession since the depression, and we're now in the go phase. But the problem is that we will eventually stop."

More importantly, despite the strong fiscal stimulus of the tax cuts, their effect was overwhelmed by the even stronger effects of tight monetary policy crafted by another major economic actor in Washington, Paul A. Volcker, chairman of the Federal Reserve Board. Indeed, the central role he played in policy making during the Reagan years leads many to view him — not the President — as the single most important figure in the economic saga.

It is widely agreed that Mr. Volcker's tenacious battle against inflation, a crusade the Fed embarked upon in the fall of 1979, is what sank the economy into recession and eventually squeezed out inflation. Likewise, it was the Fed's subsequent expansive policies that finally unleashed growth.

"The entire recovery was caused by the Fed," said Roger C. Altman, a managing director at Lehman Brothers Kuhn Loeb, who was an Assistant Treasury Secretary in the Carter Administration. "In late 1982, the world economy was at such a dangerous point that the Fed felt compelled to change monetary policy. The Fed triggered the recovery."

There are some, however, who would give Congress — not the Fed or the President — the credit for bringing the economy back to life. According to former Democratic Representative Henry S. Reuss of Wisconsin, Congress was not only the ultimate shaper of fiscal policy, but also the critical force in shaping monetary policy.

"What finally brought us out of recession was Congress, which in its June 1982 budget resolution directed the Fed to get rid of its supertight monetary policies and bring interest rates down," said Mr. Reuss, the former chairman of the Joint Economic Committee who is now with the Washington law firm of Chapman, Duff & Paul. "The Fed followed our directions as it has to and interest rates came down by December," Mr. Reuss added.

To others, the economy's improvements are not the creation of any individual or even a Congress 535 strong but are the result of forces, including luck, largely beyond control. "In general, what goes on in the economy has a life of its own, apart from what the Administration and the Fed do," said one Fed official.

Many economists, for example, thought the nation was set for a cyclical downturn in 1981 regardless of who occupied the White House. "I don't care who would have been President," said Charles L. Schultz, of the Brookings Institution, who served as President Carter's chief economic adviser, "we probably would have had a recession."

Fortune has shaped the economy, too. In the past three years, oil prices have fallen, rather than exploding as in the 70's and inflation has moderated in the farm sector, helping to hold down inflation nationwide. Whatever the cause, the economy today contrasts sharply with the picture three years ago, when President Carter finished his term. At that time, the widely watched prime lending rate had soared past 20 percent. Consumer prices were climbing at a torrid 13 percent annually. Productivity growth had stalled. And per capita disposable income was falling.

The economy began to sour long before President Carter took the reins in 1977. The United States had already been battered by sharp oil price increases, runaway food prices and lagging productivity growth. Nonetheless, the situation as Mr. Carter left office appeared decidedly dreary, and the frustrations and fears about the economic picture were a key factor in his loss of the election.

But as dark as things looked,

The U.S. Economy: Four Years at a Glance

Selected data for 1979 and 1983

	1979	1983
Gross National Product		
Real annual growth rate*	0.6%	4.5%
Consumer Price Index		
Annual rate**	12.7%	3.6%
Interest rates		
Corporate AA industrial bonds**	13.5%	12.7%
Unemployment		
Rate**	5.8%	8.1%
Employment		
in millions**	97.8	104.6
Longterm unemployment		
Workers unemployed for 15 months or longer, in millions**	1.3	3.4
Corporate after-tax profits		
in billions, annual rate†	\$102.2	\$144.1
Business failures		
Companies with \$1,000,000 or more in liabilities**	267	1,081
Housing starts		
Millions of units, annual rate**	1.5	1.7
Retail sales		
in billions**	\$77.2	\$102.1
Per capita personal income		
Current dollars*	\$7,584	\$10,307
Real per capita personal income		
1972 dollars*	\$4,511	\$4,764
Personal taxes		
Total, including nontax payments, in billions*	\$320	\$411
Federal budget deficit		
Fiscal 1979 and 1983, in billions	\$59.6	\$195.4
Trade surplus/deficit		
Current account balance, in billions†	\$1.1	(\$12.0)

*Fourth quarter data
†December data
‡Third quarter data

Sources: Departments of Labor and Commerce, Dun & Bradstreet, Office of Management and Budget.

changes already were under way, both in the economy and at the Fed, that would mean a great deal to the economy.

One of the less visible movements was a softening in the inflation momentum that began even before the United States plunged into recession in July 1981. Two key factors were the abundant harvests that reined in food prices, and energy conservation that had begun to moderate energy prices. Deregulation, begun by President Carter, was also setting the stage for some one-time price relief in major industries, like transportation. There is no question, however, that the inflation-paring process was accelerated by the recession, brought on by the Fed.

Mr. Volker and his fellow governors set out to tame inflation in the midst of a speculative frenzy that was sweeping America during the late 70's, leading investors to speculate in commodities and tempting middle class Americans to buy second and even third homes as a hedge against price increases. As a sign of its seriousness, the Fed made a bold decision in 1979 to focus on money supply targets, rather than on interest rates, in the hope of gaining better control.

It was against this backdrop that Ronald Reagan took office, with a platform calling for tax cuts, spending reductions, limited monetary growth and regulatory relief. A key theme enunciated by the President and his supply-side advisers was that reducing tax rates — for three years in a row — would serve as an incentive, unleashing a torrent of additional work and investment. The supply siders predicted, as a further inducement, that the economy would sport ahead, raising tax revenues even though tax rates had been cut.

But then President Reagan came up against Congress. On the tax front, he sought a 5 percent cut in income tax rates the first year, and 10 percent more in each of two succeeding years. He hoped not only to reduce the tax burden, but also, in good conservative fashion, to force spending reductions. He got the personal tax cuts he wanted, but also a whole lot more that he did not ask for.

"The Democrats had their package and the Republicans had theirs, and we got both," said one high Administration official who asked not to be named.

To complicate the tax issue, in 1982, the President personally went to bat for a program of "tax reform" that effectively rolled back nearly \$100 billion of the cuts passed the year before.

Sparring with Congress over spending cuts turned out to be an even stickier proposition. Though the President got significant reductions in domestic spending, they were not large enough to offset the sizable increases in defense spending he also insisted upon.

Understanding what went on in the monetary arena is more complex. The Administration, like many before it, alternately praised the Fed and panned it. But it is impossible to say how much different the course of monetary policy might have been had the President — rather than Mr. Volcker — been in charge. To hear Administration officials tell it, if they had run the show, monetary growth would have been much smoother and economic expansion would have begun sooner. But as Mr. Volcker and his colleagues have learned, talking monetary policy is a great deal easier than engineering it.

In fact, a case can easily be made

President might have may also have had a chilling effect on labor demands.

In retrospect, however, most analysts conclude that these were not important factors. Union leaders, for example, point to the specter of international competition, particularly in such industries as automobiles and steel, and to deregulation, particularly in such industries as trucking and airlines, as the critical factors behind bargaining concessions.

"If you asked people whether what they did had anything to do with Ronald Reagan being in office, they would say yes," said Alan Greenspan, president of Townsend-Greenspan & Company, an economic consulting firm, and chairman of the Council of Economic Advisers under President Ford. "But it is not the way they acted. I cannot see any significant difference in individual or worker behavior whether there was a Democrat or a Republican in the White House."

Further evidence of this may be found in studies by George Perry, an economist at the Brookings Institution, that have found that the decline in inflation was no more than would have been expected in view of the deep economic slump that occurred.

Yet, no matter what economic studies show, the polls indicate that much of the public is willing to give President Reagan credit for what improvement there has been. And the President himself, though he has not yet declared a bid for a second term (he is expected to do so tonight), stuck a tone of achievement in his State of the Union Message Wednesday night.

"Irrespective of what causes the economy to go up or down, the President gets 100 percent of the blame for recession, and 100 percent of the credit for recovery," observed Mr. Greenspan.

Perhaps the best that can be said is that the President was a man of the times, someone able to recognize the mood of the people and to capitalize on it.

"President Reagan has done things the people wanted done, like increas-

that the White House was quietly cheering for the Fed when the central bank brought on the recession in 1981. Treasury Secretary Donald T. Regan said last week that the Administration "allowed the Fed to do what the Fed knew had to be done to cure inflation, which was to bring the money supply down."

The result — a whopping recession — was not what the President had promised on the campaign trail, where he painted a picture of a pain-free transition into immediate growth and prosperity. Instead, the nation had to grapple with the hard realities of the sharpest recession since the Great Depression of the 1930's. Mr. Reagan also extolled the virtues — and necessity — of a balanced budget, yet he has presided over the biggest deficit in the nation's history, one that promises to grow, rather than shrink, as the economy expands. He talked of how the economy was hamstrung by overly high taxes, and of the incentive effect of lower tax rates: They would cause greater work effort, greater personal savings, and greater business investment.

The recovery has been in place for over a year. But the personal savings rate is as low as ever; there is no clear evidence of harder work effort and business investment has been spotty.

The President's supply-side advisers have answers for this. Jude Wanniski, president of Polyconomics, a New Jersey consulting firm, explains that monetary policy has been "tighter than it should have been." Besides, he adds, the program has met with some success: "The U.S. expansion has been the most robust in the world."

To Arthur Laffer, another supply-side economist who helped to shape President Reagan's original policy, the main problem was that the tax cuts were not put in place fast enough. "There are two things you never do," Mr. Laffer said. "You should never delay tax cuts, and you should never delay price cuts."

Now that the personal tax reductions are fully in place and capacity

'They followed a time-honored management principle: Inflict whatever pain you have to, and get it out of the way.'

ing defense and cutting taxes," said Alice Rivlin, director of the economic studies program at Brookings and until recently, director of the Congressional Budget Office. "I think the price we paid was too high. But we did have to get inflation down, and I don't think we could have done it without some recession."

Whether or not a long and deep recession was smart economics, one thing is clear: If there was to be a recession, it was clearly beneficial for the President that it came early in the term, rather than as an election was coming up. And in the end, political considerations are probably at least as important as economic ones in policy.

"Whether they were lucky or smart, they followed a time-honored principle of management: Inflict whatever pain you have to inflict and get it out of the way," said Mr. Altman. "Maybe they didn't see it that way, but politically they've won."

WEEK IN BUSINESS

Oil-Hungry Suitors On the Prowl Again

Merger Fever in the Oil Patch. More takeover bids emerged last week as prospects in the petroleum industry brightened. Royal Dutch/Shell offered \$55 a share, or \$5.2 billion, for the 30.5 percent of the Shell Oil Company of the United States that it does not already own. And rumors that pushed up the stock of Houston Natural Gas all week proved to be true, as the Coastal Corporation said it would seek 45 percent of the pipeline company at \$68 a share in a deal valued at \$1.3 billion. Another suitor, Damson Oil, offered \$24 a share, or \$209.8 million, for control of Dorchester Gas, whose board has already approved a competing leveraged buy-out. And yet another, Texaco, raised its \$10 billion offer for Getty Oil by \$3, to \$128 a share, settling all litigation with J. Paul Getty's heirs.

Oil earnings were mixed in the fourth quarter of last year. Mobil said profits rose 11.8 percent despite a \$96 million write-off for a dry hole in the Mukluk area off Alaska. The first annual profit since 1979 by its Montgomery Ward unit helped brighten the picture. Exxon reported a 10.1 percent gain. Gulf, 31.4 percent, Getty, 38.3 percent, Shell, 25 percent, and Indiana Standard, 10.8 percent. Lower earnings were reported by Texaco, down 16.3 percent; Standard of Ohio, off 30.2 percent; Standard of Califor-



nia, lower by 5.2 percent, Atlantic Richfield, off 3.5 percent, and Ashland, down 6.5 percent.

The state of the tax system is not good, President Reagan said, and he proposed, in his State of the Union address, a new study to simplify the Tax Code. The study would not be completed until after the November Presidential election. The President also asked Democrats to help reduce the Federal deficit by \$100 billion over

the next three years and sought a Constitutional amendment to allow him to veto parts of spending bills without killing the full measure.

Remember inflation? It is still lurking, but consumer prices rose only 3.8 percent last year. That was the lowest annual rate since 1972, when wage and price controls were in effect. December's rise in consumer prices was three-tenths of 1 percent. Orders for durable goods fell 1.1 percent in December from November. For all of 1983 orders were up a strong 16.9 percent. New car sales for the major auto makers rose 25.9 percent in mid-January.

Stocks retreated, continuing the decline that set in a week ago. The Dow Jones industrial average closed Friday at 1,230.00, up a scant 0.81 point on the day and down 29.11 points on the week. Investors were said to be nervous about the Federal deficit and interest rates and awaiting announcement of President Reagan's political plans. The Fed reported on Friday that the nation's money supply, M-1, fell \$2.7 billion in the latest reporting week.

New Assault on Imports. Bethlehem Steel and the steelworkers union filed a petition with the Government to limit carbon steel imports to 15 percent of the market from the current 22

percent. As a result, the Common Market is seeking formal talks with the United States on such imports. The copper industry, citing large losses, took similar action.

Debut: the Macintosh. Apple Computer formally showed its new computer at its annual meeting in Cupertino, Calif. The Macintosh is a gamble for Apple because it represents an attempt to compete head-on with International Business Machines' personal computer. Separately, Apple reported a 75 percent decline in earnings for last year's fourth quarter.

Two financial giants posted losses in the fourth quarter. Merrill Lynch set aside \$88 million for repayments to investors in ill-starred Baldwin-United annuities and posted a loss of \$42.1 million. It was the first such loss since the company went public in 1971. American Express, with earnings problems at its Fireman's Fund insurance unit, reported a deficit of \$21.9 million in the quarter. The American Telephone and Telegraph Company posted the granddaddy of all quarterly losses — \$4.9 billion — stemming from the cost of the Bell System breakup. Its income from operations fell 58.5 percent.

Daniel F. Cuff

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED JANUARY 27, 1984

(Consolidated)

Company Sales Last Net Chng

ATT w 11,599,000 17% +

Mer L 8,064,100 30% + 1%

IBM 6,879,400 114% + 2%

ATT 6,421,500 65% +

Cmw E 4,567,200 22% + 1%

AT Rich 4,399,600 45% + 1%

Citicorp 4,252,900 37% + 1%

Digital 4,230,800 88% + 2%

Panf Pr 4,215,000 6% + 1%

Hou NG 4,187,000 59% +14%

Exxon 4,158,700 39% + 1%

N Seml 3,979,700 15% + 2%

Gulf Cp 3,969,300 53% + 6%

Unocal 3,814,500 36% + 1%

Supr OR 3,714,100 41% + 1%

MARKET DIARY Last Prev. Week

Advances 737 925

Declines 1,300 1,130

Total Issues 2,239 2,275

New Highs 101 164

New Lows 57 49

VOLUME Last Week Year

(4 P.M. New York Close)

Total Sales 513,368,710 1,999,196,252

Same Per. 1983 421,896,150 1,790,583,400

WEEK'S MARKET AVERAGES Last Week

High Low Last Change

New York Stock Exchange

Industrial 112.6 109.9 110.3 -1.87

Transport 88.5 83.9 84.2 -4.68

Utilities 47.4 46.9 47.3 +0.29

Finance 94.8 93.8 94.2 -1.34

Composites 96.4 94.3 94.7 -1.36

Standard & Poor's

400 Indust 188.7 183.5 184.6 -2.83

20 Transp 153.9 149.2 149.2 -7.36

40 Utils 88.6 87.9 88.6 +0.40

40 Financial 18.1 17.8 18.0 -0.16

500 Stocks 167.1 163.1 163.9 -2.27

*Transportation index was revised by Standard & Poor's effective Jan. 26: 100 equals average of entire year 1982.

Dow Jones

30 Indust 1258.4 1218.9 1230.0 -29.11

20 Transp 596.5 560.0 567.1 -29.30

15 Utils 133.7 129.1 132.6 + 2.27

65 Comb 502.3 483.7 488.7 -12.95

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED JAN. 27, 1984

(Consolidated)

Company Sales Last Net Chng

WangB 2,254,300 30% + 3%

DomeP 167,100 31-16 - 1/4

DorGas 1,599,300 21% + 1/4

TIEs 1,487,900 23% - 2%

ComdrC 847,900 4% + 1/4

PetLew 805,900 9% + 1%

OhMat 721,800 14% + 1

Vrbm s 571,700 14% + 1/4

EchBn 536,400 7% + 1/4

PetLew 534,600 2% - 1/4

MARKET DIARY Last Week

Advances 275 381

Declines 512 408

Total Issues 913 914

New Highs 35 53

New Lows 28 9

VOLUME Last Week Year

(4 P.M. New York Close)

Total Sales 33,272,135 136,372,675

Same Per. 1983 42,691,950 186,180,635

The New York Times

Founded in 1851

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Campaign Truths and Togas

Relish tonight, a rare moment of political truth. Ronald Reagan's heralded announcement will be richly augmented with partisan festivities throughout the capital. But at the core, you will again witness the brash American ritual that requires those who hold or covet power to confess their ambition or, sometimes, exhaustion.

Being President is fun — or overwhelming. That would be the simplest declaration. And no matter how disguised, that will be tonight's message. For one brief moment, no pretense about stature too lofty to contemplate, or power too vast to be enjoyed. Even a retirement announcement would be bathed in self-esteem, with boasts of deeds accomplished or too little appreciated.

Tomorrow, of course, Ronald Reagan will reappear in the toga of idealism that, in Aldous Huxley's phrase, political gentlemen drape over their will to power. But what would the 1984 campaign be like if the spirit of tonight's moment of truth could be preserved until November?

President Reagan hinted at most of this year's political truths in his brilliantly theatrical State of the Union address.

Everything good was indisputably his: the upturn in the economy, the revival of military strength, the return of pride. Everything wrong was the legacy of a sinful Democratic past: the high cost of money, the low state of the schools, the dependence of the poor.

And as for everything difficult and dangerous — the soaring deficits, the uncontrolled arms race, the entrapments in Lebanon and Central America — why, those are bipartisan challenges that no patriot would make into mere campaign issues.

An Expensive Yawn in Space

There's one glaring fault with the manned space station the President proposed in his State of the Union speech: its striking lack of imagination or technological challenge.

Unlike President Kennedy's call to put man on the moon by 1970, a manned station would scarcely stretch present technology. Far from being among the "giant steps for mankind," as Mr. Reagan suggested, it would be what his own science adviser called the proposal a year ago: a "most unfortunate step backward."

It not only lacks technical challenge. Almost every proposed use for the manned space station could be better accomplished without man. Telescopes can be pointed more accurately without humans lumbering around. Manufacturing in space hardly requires human presence, surely not when automated factories are already a commonplace on Earth.

As for using the space station as a base from which to send humans to other planets, what could a man do on Mars that robots could not do far better? He would only learn, as Lord Chesterfield said in another context, that "the pleasure is momentary, the position ridiculous, and the expense damnable."

The manned space station, to cost \$8 billion, is based on the tedious concept that humans must have a role in any space extravaganza if the public is to enjoy the show. On the contrary, an unmanned

The truth under this toga is that the Republican candidate will be buying his votes with tax reductions and deficits that have propelled the economy out of deep recession and, if luck holds, postponed the inevitable fever beyond Election Day. He thus dares the Democrats to advocate higher taxes or cuts in middle-class programs like Medicare, even though the Reagan Cabinet contemplates both in post-election 1985.

A further truth is that huge deficits have failed to achieve the advertised purpose of retreating American industry. Similarly, huge military budgets have failed to achieve the advertised purpose of forcing the Kremlin into more effective arms control. Perhaps the President's newly conciliatory tone will finally yield diplomatic accords in 1985.

But Election Year, if possible, is to be made an easy ride. Charge now, pay later. If candor were required, the Reagan team's strongest argument for re-election would be the admission that it has finally measured reality and will accommodate to it if only it can have a second chance.

That is not, however, an easy opening for the Democrats, only one of whom, Walter Mondale, has observed the Presidency at close range. And they, too, are in the business of buying votes with promised programs and protections that could well magnify even Mr. Reagan's stupendous deficits. Though there's much to criticize in the President's performance, the Democrats can't predict or hope for so much disaster that they depress the electorate.

If they dare speak the truth, Democrats would confess to being innovators who enjoy driving the powerful Federal machine at social and economic problems. And at the heart of the Reagan program throbs an abiding desire to dismantle the machine. An honest debate would make for a lively year.

program offers far greater opportunities for stirring the public's imagination. "Nowhere do we so effectively demonstrate our technological leadership," Mr. Reagan says of space. Then instead of pouring money into trite technology, why not first invest in developing a new generation of robots and space-going automated equipment?

Then build vehicles that could roam over Mars — wondrously operated by a driver sitting on Earth. Construct spacecraft from which earthbound viewers can feel themselves skimming the rings of Saturn, or sail over the clouds of Jupiter and watch its 16 moons rise and set. Wouldn't the public prefer that kind of spectacle to seeing another astronaut swing a golf club or cancel postage stamps on some distant piece of rock?

Space is indeed a frontier. But there's a greater scientific payoff from putting human intelligence above human presence on space missions. Unmanned exploration has given way in NASA's budget first to Project Apollo, then to the space shuttle, now to the space station. Indeed the only clear rationale for a manned space station is to make work for the underused shuttle.

America's space program has been poorly served by its impresarios. Space can be anthropomorphized without man. Mr. Reagan needn't fear: Send R2D2 to Mars and he can still keep the astronauts in the Senate.

Letters

Help the Aged Help Themselves

To the Editor:

Your comprehensive recent news articles on long-distance care-taking of the elderly ("Long-Distance Care of Elderly Relatives: A Growing Problem," Dec. 29; "Care for Far-Off Elderly Relatives: Sources of Help," Jan. 5) seem at times to accept the assumption that all elderly people must in some way be dependent for their survival on families or social institutions.

This assumption, while appropriate in some circumstances (such as cases of debilitating illness), is not always applicable to the elderly. We at the National Council of Jewish Women are convinced that a program of self-help is the most appropriate attitude to take toward most of America's aged people.

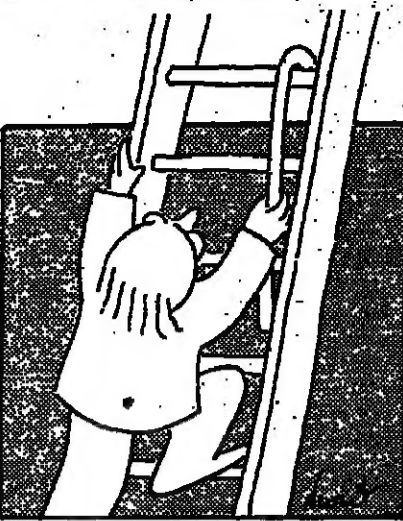
The encouragement of independence among senior citizens while they are physically capable is of paramount importance in helping them and their families cope with age-related infirmity. We believe that the best method with which to encourage this independence is a network of community-based peer support groups especially designed to meet the needs of our senior population.

Such groups would be able to ease the burden of locating care services, "case management" agencies and other professional resources from the "modified extended families" cited in your articles — especially among those who fall outside the "middle class and upper-middle class," identified in your articles as those most able to spend time and money on long-distance care.

As each stage of life brings with it the need to learn new skills and make adjustments, so must the means to

teach those skills be available to all. For the aged, a group in which we will all ultimately be included, self-help can make the difference between a life of emotional and financial turmoil and one led with basic human dignity and community support.

Our society's misconception — that the aging process inevitably makes a person incapable of taking care of



himself or herself — may actually encourage the erosion of the strengths of the elderly in a way that leads to a dependence on families and other support institutions long before such dependence is really necessary. We must strive to replace such misapprehension with a more realistic understanding of the potential independence and self-sufficiency still available to many of our nation's elderly.

BARBARA A. MANDEL

New York, Jan. 17, 1984

The writer is president of the National Council of Jewish Women.

Darwinism vs. the Unknown Artist

To the Editor:

Your editorial "Deep in the Heart of Ignorance" (Jan. 23) is both unfair to the Texas Board of Education and untrue to the facts.

Darwin's theory of evolution does not give meaning to all modern biology; quite the contrary, it deprives both modern biology and humanity of any meaning. Darwinism assumes that the process of natural selection is a random one, implying that Nature as we know it today is the end product of a series of accidents. Lucky roll!

It would be incredible to suggest that the Mona Lisa was created by an accidental spillage of paint, or that the Bible was written by a monkey randomly pecking away at a typewriter. Yet we are invited, even encouraged, to believe that the infinite complexity and intricate ecological balance we find in Nature got that way by chance, simply

because the artist is unknown.

Can a blind force create an organ of sight? Can an unthinking mechanical process produce the miracle of human consciousness? This point, so crucial to the Darwinian hypothesis, that evolution is without purpose, unguided by any intelligence, is more insidious than any effort by the Texas school board to combat it.

Evolution can work both ways, and, as you illustrate in your editorial, so can ignorance. Belief systems change, but not so man's willingness to accept the ideas of his age as superior to those of the past.

Thoreau said that every generation laughs at the old fashions but follows religiously the new. We can rest assured that it will only be a matter of time before we sit back and smile at the things we said today.

STEVE SCHINDLER

New York, Jan. 23, 1984

Established Alternative To Grain Fumigation

To the Editor:

I am prompted to comment on your Jan. 21 editorial "EDB: A Needless Cancer Crisis" to point out that since 1964 the Food and Drug Administration has permitted the use of a safe, effective, residue-free physical process as an alternative to chemical fumigation for insect disinfestation of wheat and wheat products, namely, electron and gamma irradiation.

The Agriculture Department conducted extensive research and pre-industrialization-scale pilot studies during the 1960's, which solidly established the efficacy of this approach.

Of the other grain-producing nations, Canada has also permitted this application since the 1960's, and the Soviet Union has permitted radiation disinfestation of grain and grain products in general since 1959. There have been indications that the U.S.S.R. has to some extent been using this method on an industrial scale for years.

Although totally effective, there are at least two reasons why radiation disinfestation of grain and grain products has not been used in North America despite regulatory approval and well-established efficacy: The simpler method of chemical fumigation has been well entrenched and available for decades, and in the absence of a broad, general clearance for food processing with ionizing energy in the U.S. and Canada, their grain-based industries were understandably reluctant to be the first and only food sector to employ the process.

Now, regulatory pressure on EDB and other fumigants used with grain as well as fruit, spices, etc., is gradually curtailing their availability. Simultaneously (and not unrelated), U.S., Canadian and other health authorities are in the process of promulgating broad food irradiation clearances following the recent actions of the World Health and Food and Agriculture Organizations' Codex Alimentarius, actions in which the U.S., Canada and most other nations participated.

In the U.S., there is currently a bill in the Congress (H.R. 4544) to foster and encourage the use of this safe, residue-free process in the agricultural and food sectors.

GEORGE GIDDINGS
Director, Food Irradiation
Services, Isomedix, Inc.
Whippany, N.J., Jan. 21, 1984

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or return unpublished letters.

Toward a Guarantee Of Prenatal Care

To the Editor:

Your Jan. 17 editorial "Equal Rights for Infants" was certainly correct in asserting that infant mortality and low birth weight in America's impoverished neighborhoods have reached crisis proportions. Fortunately, here in New York State there is a proposal that would solve this problem.

The human and fiscal costs of the failure to provide prenatal care have led dozens of public officials, community organizations and health providers to join in a petition and legislative drive calling for a \$20-million state program to guarantee prenatal care for all pregnant women.

There is compelling justification for this plan. By making prenatal care widely available, the state could significantly reduce the \$35 million it spends each year on children under the age of 5 with developmental disabilities. A pregnant woman could receive nine prenatal visits at a cost to the state of only \$500. If prenatal care is not provided and a child is born at low birth weight, it frequently cannot survive without neonatal intensive care, which has been costing the state an average of \$20,000.

Perhaps nowhere else is prenatal care more urgently needed than in New York, where a recent Children's Defense Fund report revealed that fewer non-white women receive such care than in any other state.

For example, in 1982 more than 50 percent of the pregnant women in the Mott Haven section of the Bronx received late or no prenatal care. The result: high infant mortality and disability. In central Harlem, for every 1,000 infants born, 28 die; in Fort Greene, the death rate is 24 per 1,000 births.

In sum, aggressive action to guarantee pregnant women access to quality prenatal care is humane, cost-effective and long overdue.

CAROL BELLAMY, ROGER GREEN
RICHARD GOTTFRED, JUDY WESSLER
New York, Jan. 25, 1984

The writers are, respectively, City Council president, members of the State Assembly and health coordinator of Community Action for Legal Services.

\$50,000 and Worth It

To the Editor:

In response to Robert Brooks's Jan. 11 letter about the "marriage tax," I believe that most couples married for 50 years would agree that their life together was worth \$50,000, just as most New York City residents happily pay local income (and sur-) tax for the privilege of living in this city. Most in both groups have experienced the alternative and chosen to stay with their preference.

IRA SOHN

New York, Jan. 12, 1984

Topics

Taxed

Budget season in Washington usually taxes the wordsmiths just as hard as the number crunchers. The former are pushed to camouflage what the latter can't disguise. Their medium is euphemisms, for such disagreeable subjects as the ballooning deficit and tax increases to reduce it.

Last year, the favored way to discuss higher taxes was by referring to "revenue enhancement" or, at worst, for some point in the future, "contingency taxes." Though this year's budget doesn't come out till Wednesday, there are already two new terms.

This year, The Wall Street Journal reports, the fashionable way to say tax increase is "tax-base erosion control." And to deal with the rising Federal debt, the President would make a "down payment on the deficit." While one hand will be increasing the debt by about \$200 billion a year, the other would try to reduce it by \$100 billion over three years.

In other words, instead of going up \$600 billion over three years, the debt would rise only \$500 billion. "Down payment" doesn't mean much against that kind of borrowing, but it does the job. It sounds good.

To the Manor Not Born

Think of Virginia, and what comes to mind? History. The Old South. Robert E. Lee, plantations. Stop right there. If the state officials who promote Virginia tourism have their way, plantations will henceforth be called "manor houses."

Richmond's bureaucrats have their

Atmospherics

hearts in the right place and their political antennae switched on. They're thinking the word "plantation" evokes images of slavery and is thus offensive to blacks. What the idea truly offends is history.

There's no shortage of unpleasantness that might be expunged by well-motivated censors. (Perhaps the Washington Redskins should recognize their nickname may offend native Americans. How about calling them the Washington Melting Pots?) It's all an endless, silly pursuit. Changing a word certainly won't atone for past sins.

The United Daughters of the Confederacy is up in arms about Virginia's revisionist penstroke, and so is the N.A.A.C.P. History is history. Even if most of us call it the Civil War, down there in Virginia it's still the War Between the States.

Winter Tease

As diamonds are to rhinestones and the real turtle soup to the mock, so is spring to last week's retreat from winter. On Friday, walkers in the city took off their mufflers, shoved their mittens in pockets and forgot to button their coats. Or forgot their coats altogether. For the first time in months the foot was free of the boot.

Tulips for \$2.99 a bunch were irresistible. So was anything served with a dill sauce. Park benches looked cozy living rooms did not. "Feels like spring," said the cheerful. "It won't last," said the readers of the weather report.

No, it won't last, and no, it's not April the cruellest month. It's a Janu-

ary that teases us with a few balmy days, then leaves us in the lurch.

Ice, More or Less

It's not a typical January in New York harbor, either. If the weather were cold enough, cakes of ice would be now be collecting along the Hudson shoreline and, if it's really frigid, would be swept down past the Battery on the ebb tide, and then up the East River on the next flood. Instead, a few small frozen dollops, hardly bigger than the whipped cream on a dish of rice pudding, could be observed recently in the East River. Waterwise, 1984 New York is practically indistinguishable from Miami.

Upriver, however, there are signs that nature still exists. The Coast Guard has a buoy tender and a harbor tug keeping a channel open north of Kingston. It was 18 below one morning recently at Albany. If the cold weather returns after last week's thaw, the ice there may get thick enough to force the Coast Guard to send for a real icebreaker.

There's more ice upriver not only because the air is colder but because the water is, as always, less salty. There was a time, before homes had electric refrigeration, when New York City got all its ice from upstate. Fresh water ponds were harvested in the winter, the ice sawed into blocks and stored in sawdust-insulated ice houses, to be removed in the summer and taken to the city in wooden barges. That was before people believed that ice came in cubes and plastic bags, straight out of the imagination of the first person to make a proper martini.



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WASHINGTON, Jan. 28 — If the Democrats had any doubts about the combined powers of the Presidency, Hollywood and television, Ronald Reagan must have brought them to their senses with his State of the Union performance.

The man makes Johnny Carson sound like an amateur. Give Mr. Reagan a good script, a couple of invisible TV screens and a half hour on prime time and he'll convince the people they have nothing to fear but the facts.

President Franklin Roosevelt was a master of the political radio address, and John Kennedy almost made the Bay of Pigs calamity seem plausible on television, but President Reagan can make even the fact seem irrelevant.

The Democrats are trying to figure out why President Reagan goes up in the popularity polls when, as they believe, they are so much smarter and better informed than he is. This shows who's dumb. For in politics, as

in Hollywood and on TV, the play is the thing, and the dream is often more alluring than the reality.

Are some people still hurting out there? Yes, says the President with an amiable duck of his head, but inflation, unemployment and interest rates are down. The trend is the thing, and every day in every way things are getting better and better.

Are people a little anxious about the nuclear arms race and all this angry shouting between Washington and Moscow? U.S.-Soviet relations are more stable today than when he took office, Mr. Reagan assures them, because "America is back — standing tall, looking to the 80's with courage, confidence and hope."

Isn't a budget deficit of \$180 billion a year a little scary? Yes, he concedes, but he inherited the wreckage from the Democrats, and says he is willing to work with them to repair the damage and let them share the blame.

Washington hasn't seen such effective

political vaudeville since "give 'em hell" Harry Truman beat Tom Dewey for the Presidency in the election of 1948 by blaming all his blunders and troubles on the "do-nothing Republican 80th Congress."

But this is not all personal and theatrical magic. Mr. Reagan has challenged the welfare state assumptions of the New Deal and Fair Deal days. He has improved the economy in the last year. He knows how to fight for his ideas, but he also knows when to switch and stop swallowing his own baloney.

He was mocked as a movie actor

when he came in here, but all politicians are actors, and he learned at least one lesson from his Hollywood days: He pays attention to the reaction of the audience, and when they begin to jeer and toss chairs out of the second balcony, he changes his lines, and even his cast.

He toned down his Russian music when it began to rattle the rafters and scare the folk in the peanut gallery. He compromised with the Democrats on Social Security and nuclear policy. Under pressure from the Congress, he tossed Secretary of the Interior James Watt to the photographers,

and relieved Secretary of State Shultz of the foreign policy wisdom of Judge Clark and Ed Meese.

This may be one of his greatest advantages over Walter Mondale. For Fritz is giving the impression that he'd rather go along with the old Roosevelt coalition than switch. Whereas Mr. Reagan, who is really backing into the future, is somehow getting across the notion that he knows how to tack with the wind while Mr. Mondale's rudder is stuck in the mud.

It's not true, of course, but that's the way it comes over so far on the tube. Mr. Mondale and John Glenn can complain, but the President of the United States can always act. If he thinks going to China is good politics, while Messrs. Mondale and Glenn are musing through the snow in Iowa or New Hampshire, he will go to China, and come back through Israel, Italy and Ireland if he likes.

If the crisis with Moscow seems to be getting out of hand, he can always set up a commission of U.S.-Soviet

philosophers to define an agenda for some vague future dialogue with Yuri Andropov. And if the pressure to get the Marines out of Lebanon gets too strong, he can always move them around or even bring them home during the Democratic nominating convention in San Francisco.

In short, as is well known to the Democrats, who invented this political-foreign policy, partisan-nonpartisan game, Mr. Reagan is in the driver's seat. He may not have a road map, but he knows his destination, "upstairs above the store" as he says, at 1600 Pennsylvania Avenue.

And the people obviously seem to love it. It's the best show on television. Never mind the deficit, or who will appoint a majority of the members of the Supreme Court of the United States in the next five years. For now, the President is telling the people what they want to hear, and he assumes, probably rightly, that maybe they'll think about the consequences later.

Moving From Standoff To an Interim Accord

By Zbigniew Brzezinski

WASHINGTON — The anxiety over current relations between the United States and Soviet Union is both excessive and dangerous.

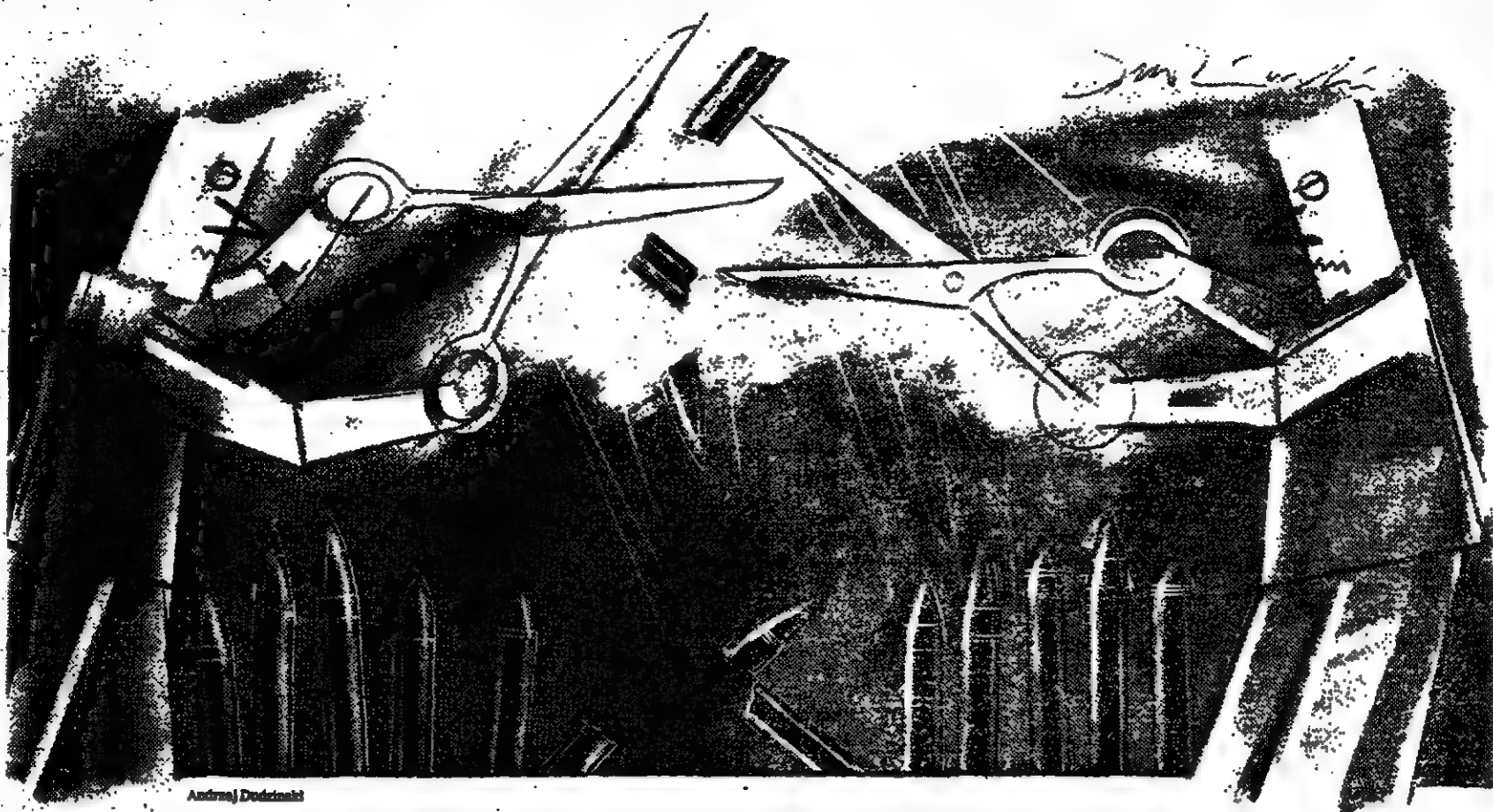
It is excessive because the enduring nature of that relationship is, has been and for a long time to come will remain that of competitive hostility. Given America's and Russia's varying histories, differing values and contrasting geopolitical situations, it is quite normal for the two countries to be at odds. But Americans should not fear that competition — nor demote it.

The United States enjoys most of the advantages in the rivalry. Our politics are open, our socio-economic system dynamic, our intellectual life creative. In every respect, just the opposite is true in the Soviet system, to the Kremlin's disadvantage.

The Soviet Union is competitive with the United States in only one dimension: the military. It is not a real rival politically and economically. However, the one-dimensionality of the Soviet challenge means that America can effectively neutralize the Soviet threat by doing what is needed to prevent the Soviet Union from gaining the upper hand militarily — by enhancing our defense efforts when necessary and by reciprocal arms control when possible.

The Soviet Union, though, does have one edge on us. Because of a greater sense of history, the Russians realize that their competition with America is historically protracted. As a result, they are less susceptible

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to being influenced by every superficial shift in the nuances of the rivalry, and they are more adept at manipulating the atmospherics of the competition than the American side. In contrast, Americans periodically switch from euphoria about détente ("a generation of peace") to hysteria about the cold war (the television film "The Day After").

Why is the current anxiety, a symptom of such periodic and excessive swings, also dangerous? It makes responsible management of the superpowers' relationship more difficult. The Soviet Union clearly is exploiting this mood by attempting quite deliberately to stimulate a crisis atmosphere in the West. The Soviet disruption of the arms control talks in Geneva is a central part of that effort, calculated, particularly, to stampede the Europeans into de facto neutralism, thereby politically undermining the Western alliance.

One should not forget that this is the central goal of the current Soviet effort. It is a replay, with different tactics, of Nikita S. Khrushchev's squeeze on Berlin in 1960. In both cases, the goal has been to create such an acute crisis atmosphere as to decouple American-European security — a security linkage that is the *raison d'être* of the North Atlantic Treaty Organization system.

President Reagan's recent commitment to a working relationship with Moscow — but in the context of a continuing competition — was, therefore, an appropriate response. Rather than accept the Soviet thesis that our relations are in crisis, we should persist in a posture that simultaneously emphasizes both our determination to compete and our willingness to reduce

most promising avenue for a joint American-Soviet effort to keep the competition under effective restraint. The problem is how to move the currently stalemated negotiations — they were stalemated even before the theatrical and highly tactical Soviet suspension of the talks — off dead center.

The United States position in these

By seeking what is perfect, America may get nothing. So capitalize on the President's 1982 arms-reduction proposal and the Kremlin's response.

some of the tensions and frictions that the competition inevitably generates. This is tactically a wiser response than the hand-wringing to which so many Western statesmen have succumbed.

Since the Kremlin's challenge is most threatening in the military dimension, arms control — in addition to our own defense buildup — is the

talks was spelled out in President Reagan's speech in Eureka, Ill., in May 1982. In abstract terms, his proposal was both fair and good for world peace. Through drastic cuts in warheads, in throw-weight — the warheads' total deliverable megatonnage — and in land-based heavy missiles with multiple individually targeted warheads, it would have produced a

more stable strategic situation for both sides. The manifest negotiating weakness, however, was that implementation of the Reagan proposal — even in compromised form — would require major adjustments both in the size and character of the Soviet strategic forces and, initially, practically none on the American side.

There is a further problem. The current negotiating position, that contributes to the stalemate. In our desire to close all the loopholes that SALT II, and even much more SALT I, left open, we are seeking a very comprehensive and complex agreement. The Soviet record of compliance with the previous two agreements has been far from perfect — and that necessarily enhances pressures for detailed commitments and foolproof verification. But by seeking the perfect, we increase the prospects for attaining nothing.

Is there a way out of this dilemma? I believe that there is — by shifting our efforts from a comprehensive agreement to a limited interim agreement, confined to a few aggregate categories.

The Kremlin inadvertently has given us an opening for such an approach with its counteroffer to President Reagan's Eureka proposal. Not well-known publicly, it provides for the following: scaling down the Soviet

and American intercontinental ballistic missiles and submarine-launched ballistic missiles, both with multiple warheads, to 1,000, and single-warhead ballistic missiles to 600, and fixing the number of bombers carrying air-launched cruise missiles at 120 — for a grand total of 1,800 for all strategic launchers on both sides.

In effect, these reductions would be greater than even those proposed by the comprehensive cuts plan submitted by the Carter Administration in March 1977 and rejected by Moscow. However, the Soviet approach would permit both sides to build up their respective warhead levels to at least 11,400, which rather exceeds current deployments on both sides.

As a long-term solution, the Soviet offer is inadequate. A further increase in the number of warheads, coupled with the significant reduction in the number of launchers, makes the Soviet plan highly destabilizing. But the proposed scaling down, if married to a more acceptable level of warheads, could produce a useful interim arrangement — something very needed in view of the approaching expiration of the informally honored limitations of SALT II.

The Eureka proposal called for a warhead ceiling of 5,000 — a desirable long-term objective if matched with substantial reductions in the number of launchers, particularly those with multiple warheads. But with the American and Soviet strategic warhead arsenals (excluding air-launched cruise missiles) currently at roughly 8,000, an initial cut to 7,000 is a reasonable goal, if combined with the overall Soviet-proposed launcher reductions to a total of 1,800. Such a formula would oblige both sides to consider whether they would prefer to rely primarily on multiple-warhead launchers, with their forces, thereby, somewhat more vulnerable, or opt for a higher degree of reliance on single-warhead launchers.

A United States initiative along these lines would clearly make the Soviet Union's current allegations that a grave East-West crisis exists look even more ludicrous.

Such an approach would not negate the longer-term goals of the current American strategic arms control proposals. Indeed, adoption of such an interim solution could be viewed as a step toward our longer-range objective, while creating a breakthrough in the negotiating process. The agreement would not require prolonged negotiations; confined to a few aggregates, it would be easier to verify; and it would contribute to greater stability in the one area in which the Soviet Union genuinely competes with the United States. Moreover, its very simplicity would have political appeal.

NEW BRUNSWICK, N.J. — The Democratic Party did something very daring — many said foolhardy — when it nominated a Roman Catholic for President in 1928. The genius of that move was appreciated only years later when observers of the American political party system realized that Alfred E. Smith's defeated candidacy had laid the groundwork for the century's most important partisan realignment. It rallied Catholic voters to the party and readied them for inclusion in Franklin D. Roosevelt's New Deal coalition, which developed into our most durable political assemblage. The Democrats again have an opportunity to set the stage for a realignment — this time, by running a woman for Vice President.

This suggestion usually elicits from serious politicians a formalistic reaction: Of course "serious consideration" should be given to putting a woman on the ticket. They then quickly pass on to more practical matters. Fortright objections can, of course, be lodged against the proposal. These range from the accusation that it surely would be interpreted as a "gimmick" to what is really the most flimsy and disingenuous caviar — there is no woman well-known enough to be an asset on the ticket.

Any political innovation is stigmatized as a gimmick. Such novelties as the whistestop tour and the use of television have been so derided, but most have paid off handsomely. Some critics characterized President Reagan's appointment of Sandra Day O'Connor to the United States Supreme Court as a ploy, but even her most ardent detractors cannot say that her role on the Court is simply ornamental. The Vice Presidential nomination is unlikely to be seen as a gesture of tokenism. It is just too important a

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Democrats Need A Woman As No. 2

By Ross K. Baker

role, and everyone knows it: Symbolic payoffs can be made with less consequential jobs.

The "unavailable woman" argument is the sorriest canard of all, considering that some male Vice Presidential nominees were not exactly household names. Richard M. Nixon rescued Spiro T. Agnew from the obscurity of the Maryland governorship, and who can seriously argue that Representative William E. Miller or Senator John J. Sparkman were better known in their day than, let us say, Representative Geraldine A. Ferraro is in hers? Celebrity is no prerequisite for the No. 2 on a national ticket but is more likely an outgrowth of it. Does anyone doubt that a female Vice Presidential candidate would be among the five most famous Americans within a week of nomination?

It would be argued that a woman might repel as many voters as she attracted. This objection is not groundless. The Democrats, in 1928 and 1960, lost Southern Protestant support when they ran Catholics. In both cases, however, the detractors were people whose ties to the Democrats were the most tenuous while those who won over developed the most durable attachments to the party.

More than religion or gender, it is the individual's personal qualities that will ultimately determine the acceptance of a candidate. Al Smith's

East Side twang and cigar and brown derby were a trifle too exotic for provincial American tastes. A fairer test of the acceptability of a Catholic was the more conventional, attractive John F. Kennedy. Running in only slightly more enlightened times, Mr. Kennedy's religion was not accentuated by jarring stylistic aberrations. Accordingly, the woman who assumes the second spot on the ticket should represent the same traditional — even conventional — values that Americans seem to esteem in male candidates.

Would a female candidate really help the Democrats in an uphill struggle against Mr. Reagan, or produce a realignment in the electorate that would redound to the party's long-term benefit?

The value of such a candidacy this year is that it would give the Democrats their last shot at the man with the gender gap problem. What better way to underscore the party's solicitude for the concerns of 52 percent of the electorate than by nominating a woman?

It is the prospect of a long-term realignment, however, that is the most attractive opportunity offered to the Democrats. Win or lose, the party will have taken a stand by conferring its second-most important nomination on a woman. Henceforth, she would be a force to be reckoned with in politics and likely to emerge as a Presidential contender in her own right — a development long in coming in the normal course of things.

Such a gesture probably would bind women's organizations more tightly to the Democrats than they are today, but their numbers are now insufficient to produce any major upsurge of support for the Democrats. More important would be the effect that such a choice would have on millions of ordinary Americans — men and women alike — who could tell their daughters that the big prize, the Presidency, is now in their grasp. It would be well noted and long remembered what political party placed it there for them.

WASHINGTON, Jan. 28 — After failing to achieve offensive nuclear superiority, Soviet leaders are now trying to steal a march on missile defenses. Here is their triple threat:

1. *Local defense.* The Russians are building hundreds of the SA-12, a combined radar van and launcher capable of shooting down ten incoming missiles in a 30-mile zone. By deploying a thousand of these local defenses against "light" missile attacks, the Soviet Union would weaken our deterrent; to get through with our retaliation, we would have to concentrate on 10 percent of the targets, and most Russians would read about our nuclear response to their first strike in their local newspapers.

But isn't this a violation of the Anti-Ballistic Missile treaty, which forbids defenses "in an ABM mode"? The Russians reply that the SA-12 is designed to shoot down airplanes, which it can also do; the ABM treaty language is circumvented by weaponry capable of more than one mode.

2. *Continental defense.* We have incontrovertible evidence of six huge battle-management radars, each in "phased array," making possible detailed imaging on the screens and offering extraordinary precision in selection of targets. These are connected to "Flat Twin" radars, which sort out missile tracks and set priority for shooting down incoming missiles. These activate "Pawshop" radar (so called because of the doo-hickies hanging from it), which guides the surface-to-high-altitude interceptor missiles, the SH-4 and SH-8.

Last year, when some of us began banging our spoons on our highchairs about this massive violation of no-defense agreements, the Sanhedrin of self-delusion brushed it off as hawkish alarmism; now even New York Times editorialists concede that one of the emplacements, at Abalakova, "merits discussion." Again, the Russians claim their massive radar shield is for another purpose — tracking satellites — and thereby seek to conceal the most advanced battle-

ESSAY

Up the Laser River

By William Safire

management defense behind a seemingly innocent alternative use.

3. *Directed-energy weapons in space* — ray guns to shoot down rising missiles. Our National Security Agency and C.I.A., with some overseas help, have gathered evidence of Soviet laser and particle-beam weapons research that would make the most of the vacuum in outer space. Laser research is harder to detect than noisy missile testing, but those with a need to know now know that the Russians are not denigrating as "Star Wars" what is likely to become the most powerful component of their missile defense.

Analysts are putting that intelligence together with pictures of a new Soviet rocket capable of putting a 400,000-pound object in orbit. (Our biggest current payload, for the space shuttle, is 65,000 pounds.) Some genius on Team B at Langley will soon hazard a guess that one of these days the Russians will orbit a large, crude laser device ostensibly for peaceful research but also capable of zapping missiles coming out of their silos.

When the import of these three levels of Soviet defense finally sinks in, what will the reaction here be?

In the freezenik dovecotes, we can expect scientists to downmouth the effectiveness of each level of Soviet antimissile defense: The SA-12's may not all work, the phased-array radars

could wind up in disarray, the big booster for the technologically primitive laser might blow up on the pad. Besides, doves will say, fear of Soviet advances is always the warmongers' rationale for new spending.

In the military-industrial-inferiority complex, we can expect Pentagonians and contractors to slaver at the prospect of interminable R & D, with gold-plated laser technology to leapfrog the Soviet's crude space-stationed weaponry sometime in the next millennium.

However, some patellar reflexes are too important to be left to knee-jerks.

One fact of life is that the Russians are, no fooling, making real headway in missile defense, and that the defensive phase of the arms race is already well under way. The second fact is that it is dangerous for us to plan defenses to be put in place decades hence, to counter missiles not yet on drawing boards; that leaves us as the only undefended superpower in the meantime.

Instead of hoping the Russians will forgo their advantage, or grimly planning to compete to the bitter end, we might look at the new phase with new eyes. Today we defend ourselves with the threat of devastating retaliation; perhaps a much safer defense for both superpowers would be a real defense.

In the coming generation, where is the greatest nuclear danger? Not from the other superpower, which has much to lose and is likely to act rationally. Tomorrow's danger is from a terrorist state — like Libya, which could buy a German missile and help Pakistan develop a bomb — that would have less to lose and could well be headed by an audacious black-mailer or kamikaze fanatic.

In such a world, would it not make sense for the superpowers to be able to detect and suppress a terrorist missile? By approaching the idea of defense creatively, we could make possible a mutual-defense pact that is the logical road to offensive disarmament.

Childhood Memories Shape 'Entre Nous'

By ANNETTE INSDORF

A child's eyes register fast. Later he develops the film," wrote Jean Cocteau — anticipating by a few decades the genesis of Diane Kurys's "Entre Nous." The French director's third feature opened in New York Friday, following its premiere at the New York Film Festival, where Vincent Canby wrote, "Her very personal, moving new film... places her among those in the forefront of the commercial French cinema." Miss Kurys called her story of the special friendship between two women during the 1950's "a game of memory."

"Entre Nous" — the official French nominee for the Academy Award for best foreign film — means "just between us," and its original French title "Coup de Foudre" refers to "love at first sight"; the titles express the intimacy and the immediacy of attraction that characterize the film's relationships.

The film begins in 1942 at a French detention camp to which Jews have been deported. Among them is Lena (Isabelle Huppert), who receives a surprising note from a cook, Michel (Guy Marchand), offering escape via marriage. Although they have never spoken, she obliges, and the newlyweds flee over the mountains into Italy. In another part of France, Madeleine (Mio-Miou) is a deliriously happy bride — until her young husband is killed in a confrontation between art students and the collaborationist French police.

The war ends, seven years pass and the two women first meet at a school play in which their children are performing. Lena is a bit of a bourgeoisie in her fur coat and veil, while Madeleine — now married to an irresponsible actor (Jean-Pierre Bacr) — is quite bohemian. Between these two



Diane Kurys, director of "Entre Nous" — "If I made this film now, it's because I'm the product of what my parents lived through."

Dominique Heilbrunn

women marked in different ways by World War II, a bond grows, finally overriding — and eroding — everything else in their lives.

Female camaraderie is an understatement for the emotions suggested by these heroines. Although Madeleine has made her peace with the

loss of her first husband, and Lena seems content enough with Michel — who runs a garage — and her two daughters, they find in one another a certain tenderness and complicity that exclude their husbands.

Miss Kurys reveals the biographical origin of "Entre Nous" in the film's closing title, following the separation of Lena and Michel: as the camera moves back to reveal the younger daughter watching her irascible parents, the inscription reads, "My father left the next morning. He never saw my mother again. Madeleine died two years ago. This film is dedicated to the three of them."

The 34-year-old filmmaker admitted during a recent trip to New York that "Entre Nous" is indeed a true story, and that her reasons for making it were deeply personal. "My parents never saw each other again, and I probably made this film to allow them to live together once more — by putting them on screen together," said the vivacious director in a mixture of French and English.

"If film can be therapy, 'Entre Nous' is a good example," she continued. "When a young child lives through the parents' divorce, he often thinks it's his fault. I wanted to get rid of that guilt and say, 'See, it wasn't my fault.'" Miss Kurys also wanted to unburden herself of what she termed "stories that trotted around in my head; when I was a kid, I didn't hear Peter Pan or Cinderella stories at bedtime, but how my mother and father went over the roofs during the war. They played heroes in incredible tales! Then after the war, I show them in this rather modest, bourgeois, provincial comfort."

"Entre Nous" is made of memories — not of what I lived but what others told me," Miss Kurys explained. "We're the grandchildren of the war — of those encounters. If I made this film now, it's because I'm the product of what my parents lived through."

She considered World War II as an actual character and found the situation "explosive because Lena and Madeleine are the children of this war which has wounded them, stolen their youth and left them fearful and ready to grab the first comfort offered: a husband, a home, children, finally some peace — to forget the cold, the hunger, the anguish of deportation. They've suffered too much at the hands of history not to take into their own hands the one thing which depends solely on themselves: their personal history."

Like Vibeke Løkkeberg — the

Arts & Leisure

Norwegian actress-writer-director whose semiautobiographical film "Kamilla" shows the postwar disintegration of a marriage through the daughter's eyes (and in which Miss Løkkeberg plays her own mother) — Miss Kurys explores with sympathy the painful choices made by her parents.

The director felt "a bizarre blend of emotions" in filming her mother's story. She showed her the script, "needing her agreement or authorization," Miss Kurys recalled. "My mother liked it, without completely

broadcasts of the era. "The 50's were a funny period, simultaneously gray — because the war wasn't far away — and Technicolor. Most of my crew was around my age, and we all have the same kinds of memories — like a particular green velvet," she said excitedly. "I'm manic about details, and it was extraordinary how the costume designer would bring me the exact dress I wanted! The perfumes surged back."

In describing her Proustian search for lost colors, smells, and sounds, Miss Kurys acknowledged that each

'What interests me most in this work, the French filmmaker says, 'is writing dialogue. To live, I need for it to talk.'

recognizing herself in it. Even in a true story, one never recognizes oneself. My father saw the film when it opened: he was stunned and emerged in tears. Of course I was afraid of hurting them. But that didn't bother me so much because I try to show that nobody's guilty. That's how things were," she said simply.

Miss Kurys also refrained from showing the degree of sensuality that may have characterized the relationship between Lena and Madeleine. "I don't show more because I don't know," she confessed. "This relationship always troubled me and I never understood it. I admired them. They didn't live together, they weren't attracted to other women, and they always searched for Mr. Right."

"There was an exceptional relationship, more a question of sensuality, tenderness, and profound intimacy than sex. If Madeleine had been a man, they would have gone off together. But I never really felt they were lesbians."

The filmmaker did a great deal of research to recreate conventions of the 50's, immersing herself in newspapers, films, newsreels and radio

accessory was like a *mouche*, imitating sensorial memories: "Isabelle, Mio-Miou and I were like little girls, thrilled by the accessories," Miss Huppert agreed that "Entre Nous" evoked her first memories, "the 50's — the lipstick, stockings with seams, rice powder, and Soira de Paris perfume. It brought back the atmosphere of the room I shared with my sisters. And my earliest memory of a woman in her 30's, wearing a tight skirt and fur coat, is of my mother: in playing the role, I rediscovered her."

Although Miss Kurys did not write the parts directly for these actresses and was afraid of choosing performers "whose image precedes the character," casting the film was comparatively easy. She was drawn to Miss Huppert for her "Eastern quality" — in physique and behavior — maybe because her father is from Hungary," Miss Kurys added.

Annette Insdorf, an associate professor at Columbia and Yale, is the author of "Indelible Shadows: Film and the Holocaust."

In the End, Gustav Mahler's Mental Torments Won Out

By DONAL HENAHAN

A fat and fascinating book could be written about the role of psychoneurosis in musical creativity, centering around a few pivotal artists such as Wagner and Mahler. Did Mahler, for instance, compose so much great music because he spent his life under terrible mental tension or in spite of his problems? All we can do is speculate, but that is what they do every day on the stock market, sometimes profitably. The question of sheer quantity aside, it does seem likely that the character of his works, with their febrile manner and drastic emotional swings, was largely determined by his St. Sebastian temperament and unstable mental state. He built a whole esthetic around martyrdom, suffering and a longing for death, like the true late-Romantic and incipient modern man that he was.

Believing all that, I was surprised to see that the New York Philharmonic's program notes for the recent performance of Mahler's Tenth Symphony barely touched on the thorny psychological questions, and then only in a flowery, romanticized style. The Tenth, an unfinished work that was given here in Deryck Cooke's performing version, was begun in 1910, at a time when all of Mahler's psychic burdens, health problems and family troubles had snowballed into one huge, insoluble crisis. His favorite child, named Maria after his revered mother, had died three years before. He was forced to resign as head of the Vienna State Opera after an anti-Semitic campaign was waged against him in the press. He learned that he suffered from a probably incurable illness that was diagnosed as a "bacterial infection," according to the New Grove Dictionary of Music and Musicians. He went to conduct at the Metropolitan Opera but soon left, unhappy with conditions there. He took the post of music director of the New York Philharmonic, where enemies again made his life miserable.

Most shattering of all, perhaps, was his discovery that his wife Alma had a young lover, or at least a very warm suitor. In the summer of 1910, Mahler's marriage disintegrated after he opened a letter, mistakenly addressed to him, that proved to be from a man urging Alma to run away with him. That same summer, Mahler went to consult Freud, who analyzed him for a few hours and decided that Mahler had a mother fixation that led him to look for a browbeaten, suffering type like her in every woman.

It was in this context that the Tenth Symphony was composed, the only wonder being that Mahler could think of composing at all in such circumstances. Strangely, the New Grove, which was published in 1980, still skims over Mahler's psychological and marital crises, treating them almost as cursorily as the Philharmonic's program notes and with less reason. Space is not the problem: The 26-page account of Mahler's life and works in Grove mentions the Freud meeting, for example, but deals with it and the whole Alma problem skittishly and vaguely.

"Eventually," says Grove, "the strains imposed by the attitudes of both partners and the difference in

their ages [Mahler was 18 years older than his wife] began to affect their relationship, and Mahler consulted Freud in the summer of 1910. Freud was struck by Mahler's immediate understanding of the principles of psychoanalysis (which is not surprising considering the composer's philosophical interests and artistic outlook), while Mahler gained an insight not only into his immediate marital problems, but also his own creative personality. He rediscovered the depth of his love for Alma, as is shown by the touching messages addressed to her in the manuscript of the unfinished Tenth Symphony."

These are feeble words to describe Mahler's tortures and the tortures he inflicted on those around him. Musical history should be made of sterner stuff. (There is, incidentally, no entry for Alma Mahler in the New Grove. She was a musician and a composer at the time she met Mahler, but beyond that it is hard to see how such a voluminous reference can justify overlooking a person of such unarguable importance in musical history.) After reading the Philharmonic notes and looking through the unsatisfactory Mahler entry in Grove, I remembered having read some years ago a much more sophisticated and

claw her way out of the marriage trap. Mahler could not have been more astonished. Caught up in the working out of his own neurosis, he hadn't even noticed that his wife was suffocating.

Dr. Crandall's analysis may be guilty of putting too much faith in Alma's side of the story, as detailed in her two books about Mahler. Her complaints about being ordered by her husband to stop composing music, for instance, may be self-deluding, like those of a woman who attacks her husband late in life because in marrying she gave up her chance to be a movie star. Still, it has become clear in recent years that the standard version, which still turns up in program notes and on record jackets, takes too sympathetic a view of Mahler's destructive and tyrannical personality. Dr. Crandall, in fact, mentions a psychohistorical study by H. Stierlin that compares in general terms Mahler's childhood nurturing of an emotionally deprived mother to that of another disturbed Austrian artist, Clara Hitler, a humble peasant woman, apparently foisted all her frustrations on little Adolf, her delegate to the world, realizing through him a life of excitement and a sense of importance. Who knows what variety of monster Mahler himself might have become if his musical talent had not channeled his energies in a fruitful direction.

Mahler's discovery of his wife's entanglement with another man led to his breakdown and near madness. At night, Alma would wake up and find him standing over her in the darkness. After years of thinking he possessed her body and soul, he found that she was not his property at all. In fact, if Alma is to be believed, she soon expended her festering resentment toward him and, finally, became indifferent. By the end of that harrowing 1910 summer, she writes, "My boundless love had lost by degrees some of its strength and warmth and now that my eyes had been opened by the impetuous assaults of a youthful lover, I knew how incredibly ingenuous I was. I knew that my marriage was no marriage and that my own life was utterly unfulfilled. I concealed this from him and, although he knew it as well as I did, we played out the comedy to the end to spare his feelings." So much for any idea that Mahler regained Alma's love and died happy, as annotators often suggest. The anguished scribbles about love in the score of the Tenth Symphony, pitiable as they are, came too late to impress Alma. She was in the mood to extract retribution for years of neglect by the genius she had unwittingly constructed in childhood to nurture.

Research into Mahler's final years has been continuing, so the full truth of what happened and why may not yet be known. Any day now, we should have the long-delayed second and final volume of Henry-Louis de La Grange's exhaustive biography, the first installment of which appeared in 1973. It will be disappointing if it does not deal in some depth with questions of pathology as well as of musicology. However, there is already enough published literature on Mahler's mental, physical and psychic disintegration to give a fuller picture of the collapse than is generally offered at the moment, even in the august pages of Grove.

'He built a whole esthetic around martyrdom and a longing for death.'

persuasive explanation of the tensions in their relationship. It was in an article published in the Clinical Social Work Journal (Vol. 9, No. 2, 1981) by Dr. John W. Crandall, entitled "A Study in Pathological Nurture: the Marriage of Gustav Mahler."

Dr. Crandall's contention was that Mahler as a child became, in effect, a nurturing parent to his mother Maria, forced to take the role of her protector (she and her husband hated one another). Gustav became her one hope of salvation from nonentity. Like many parents of talented children, Marie chose to live only through the energies and gifts of her son, depriving him of a childhood and warping his future relationships with women. He developed into a sadist who demanded total subservience and loyalty from any woman with whom he was intimate, including his wife. For her part, Alma grew up idolizing her father, a painter, and fantasizing that only she could understand him and support him against the philistine world. She therefore was ready by training to be the slave of a misunderstood genius and, in fact, she went on to nurture a series of artists, including Alexander von Zemlinsky, Walter Gropius, Le Corbusier and Franz Werfel. Trained to submerge herself in a talented partner, Alma made a rather surprising turnabout late in life, becoming a rebellious and even contentious person. A prisoner of her childhood experience, she began to



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Circle 10 on Reader Service

REMARKABLE MP

CALL Greville Janner QC, MP man of many parts is to do him an injustice. For it is to use a stock phrase for a man whose parts are so many and varied that he defies prototyping.

Rather, he should be described as a politician, a cottage industry, a powerhouse of political involvement, Jewish leadership, legal learning, popular prose, polished orator and — always — chirpy cheerfulness.

Spending an hour with him during recent hectic three-day visit to Jerusalem, one could not think, if one guesses — that our backbench Members of Knesset should so bountifully endowed with intellectual accomplishments and a warm heart.

To be fair and frank, Janner was calling — at *The Jerusalem Post's* press request — about a subject which he particularly sparkles: himself. But having mentally gazed at that caveat, one could listen and enjoy. He makes such of listening to.

Like his late father before him (and Janner's father, he sits in the Commons as the Labour member for Leicester West. Like his father, he is president of the Board of Deputies of British Jews. He is a senior Counsel (a senior trial lawyer), an authority on labour law, a prolific author with 45 books to his name over the past two decades. One of them, he says, *Janner's Complete Speechmaker*, is a best-seller.

By DAVID LANDAU
Post Diplomatic Correspondent

He considers himself "a human bridge between Britain and Israel." At the same time, he says, he is "better known than any other MP in the Asian community and writes regular weekly columns in the Asian (that is, Indian) press in Britain. He is also a frequent contributor to the national press, and was formerly a regular on the pages of *The Post*, too."

LEICESTER WEST has been represented in Westminster by the Janner family for the past 38 years. Greville's son, Daniel, 26, stood (unsuccessfully) for the neighbouring constituency of Bosworth in the last election — so the link between Leicester and the Janners seems assured well into the 21st century. (Daniel is also a member of the Board of Deputies, representing the 200 Jews of Stoke-on-Trent.)

But there is no nepotism here, nor any vestige of the "pocket borough" system of yesteryear. Leicester West is in no one's pocket. Janner's majority was shaved down to an uncomfortable 2,000 in the last election.

Still, he notes, "I'm the only Labour MP out of nine constituencies in the County of Leicestershire." The Tory landslide swept the rest away. He puts his own survival down to persistent

hard work. "I go to every school in the constituency at least once a year, to every factory, every club. Everyone knows me by sight."

Living in London, he gives one day a week to his constituency, more during parliamentary recesses, less when the House is sitting.

WHAT DO his constituents — all gentle, with a large minority of Uganda Asians — think of his time-consuming, high-profile involvement in Anglo-Jewish affairs? Janner quotes his former agent, George Billington, who is currently Leicester's Lord Mayor. "We wouldn't respect you if you didn't look after your Jews."

He hit it off early with the local Indians (mainly people driven out of Uganda by Idi Amin), he recalls, when one of them called out at a meeting: "What do you know about racism?" "I had half of my family wiped out because of it," Janner flashed back.

He reckons that 90 per cent of the Asians in his constituency vote for him. They are industrious, go-ahead people, anxious to make a better life for their children in Britain. "I find no difficulty in understanding their problems," Janner says. My grandfather on my mother's side was a peddler and became a wealthy man. My father worked his way up... There's nothing new in this. The only difference is that they're brown."

His involvement with the Asian community in Britain have made



British MP Greville Janner

him a frequent visitor to India and he has developed, he says, a personal friendship with Indira Gandhi.

His role as Anglo-Jewry's senior lay leader and as a prominent Zionist is complicated, he says, by the fact of his being a Labour MP during a time of Tory rule, and of his being personally closer to the opposition than to the government of the day in Israel, too. In Parliament he is "regarded as at one with the policy of any Israeli Government."

The British community's recent great success, for which he takes some of the credit, "was that we didn't split during the Lebanon war. We have retained half a million British Jews reasonably united through very difficult times indeed."

In the U.S., he notes, there were denunciations of Israel and public recriminations from Jewish leaders. "I think if you have criticism — you should voice it in Israel," to policymakers and to the public here.

Watch out for winter

GARDENER'S CORNER
Walter Frankl

IT HAS BEEN a very unusual winter with no frost or snow (except in the very high regions) and very little rain. While this may prove catastrophic for field crops and a burden to orchard owners, the amateur gardener benefited from many opportunities to work outdoors in mild weather.

I can't remember such a dry November and December in this country; we may be experiencing what people call a "delayed winter," which could mean night frosts and snow in March and April.

We should not abandon winter precautions, like wind-breaks, stakings and mulching. That doesn't mean, however, that we shouldn't go ahead with preparations for spring and summer, weather permitting. February can be an active month for gardeners everywhere in the country. This column will deal with a few of many work possibilities, starting with the queen of all flowers, the rose.

Rose pruning should be done just before the buds break. Use sharp pruning shears to cut back branches to within 1 cm. of an outside bud, so that the new growth will develop outward and not grow into the centre of the bush. A certain amount of pruning is necessary of proper maintenance of all roses. First, cut away all dead wood. All the weaker-growing twigs at the base of the plant and many of the smaller side-branches should be cut away.

Large-flowered climbers need little pruning for better shape and all of their remaining stems should be tied firmly to their support. Only cuttings from climbing roses may be used for propagation. Insert them into a peat-vermiculite (50:50) medium for rooting and keep moist. Often these newly rooted climbing roses will bloom during their first summer. This is a real bonus, as a single rose bush at a nursery costs between \$100 to \$150.

Polyanthas need only snipping to tidy them. For this, you may use a hedge-cutting scissors. Rose-cultivating. To keep the soil from drying out too rapidly, or from becoming infested with weeds and too compacted, begin cultivating (hoeing) early in the year and hoe periodically throughout the season. Don't underestimate hoeing! It's no less important than watering. When I was a student at the Kadourie Agriculture School, our teacher had us cultivate 10 rose bushes and leave another 10 uncultivated. After a few months, the difference in health and growth was like night and day — the cultivated ones were dramatically more vigorous. A hoe (ma'ader) and a two-teeth cultivator (doo-shen) are the most common tools for this job.

Rose feeding. Since the sap will stream vehemently to the tops of all branches after pruning, and produce new, bordeaux-coloured foliage, a regular feeding is obligatory. Every kind of plant food will give good results; when provided fortnightly in small measures choose either organic food (guano, bone-meal, cow or



Peppers grown in containers

chicken manure compost) or a chemical nutrient ("20-20-20," superphosphate or osmocote).

Mulching. A 4-5 cm. thick layer of peat-moss, dry leaves, pine needles, saw dust, wood shavings or similar material should be placed in shallow trenches around rose bushes. This will hinder weed-growing and preserve moisture.

Watering. Since plants can't use food that is not in the form of a solution, they can't thrive and bloom without wetting the foliage. Dripping pipes, arranged around each bush or along rows of roses is an excellent device. For roses near a lawn or flowerbeds, which are thus frequently watered by sprinklers, and whose foliage is not, counteract the danger by frequent spraying or dusting with fungicides.

Prevention of pests. Attract birds to your garden. The insect-destroying activities of birds continue even in winter. Just now, in February, they feed on hibernating pests, their eggs and larvae hiding in crevices of bark, pine cones or curled leaves. Because of the general benefits of having birds in the garden, it is a good idea to put up a feeding station. This may be as simple as small plates filled with mixed grains in winter. In spring, put nest building material (chicken feathers, yarn, shavings, hay, small twigs, etc.) in the station. For summer put out a small shallow container of tap water for bathing and drinking. Be sure to check it regularly against evaporation.

There is a natural way to fight aphids. Sow nasturtium (*Kowa hanazeer*) seed just now, in early February, between rose beds. Another help is to collect lady bird beetles, which are appearing everywhere in gardens and fields and introduce them into your garden, especially on to rose bushes. Practical advice on pruning, cultivating roses and all other activities connected with rose culture will be given by *Amos Rosenthal*, director of the Maurice Wohl Rosarium (near the Knesset), throughout February. He will give a lecture-demonstration every Sunday of the month at 10 a.m. and every Wednesday at 3 p.m. Don't forget to bring a pair of secateurs and protective gloves with you. In

case of bad weather, the practical work advice will be postponed to the same day in the following week.

Vegetables. February is the month to prepare seedlings for summer vegetables. (And you can do this even if your "garden" is but a few containers.) The greengrocer should be able to supply you with discarded dried foam boxes with drainage holes. Fill them with equal parts of well-mixed soil, sand and compost. Vermiculite may be used instead of sand. Buy seeds packets of tomatoes, peppers and eggplant and sow thinly in rows 1 cm. deep. Press the soil down afterwards with the flat of your hand and water carefully with a small watering can with a rosette.

Place the boxes where they will receive full light and keep the medium always slightly moist. Cover with glass or plastic at night and during bad weather. Seeds should germinate after 2-3 weeks. When the seedlings have 2-3 pairs of real leaves, they may be transplanted into beds or containers.

Last season I grew my summer vegetables in containers (mostly discarded pickle tins) and in spite of very limited sunshine, I got relatively large crops especially of peppers and tomatoes. Containerized plants have the advantage that you can move them about for maximum sun or decoration.

A special achievement were my cherry tomatoes. I grew them in hanging baskets and they cascaded down in delicious beauty. They fruited for about 5 1/2 months!

Prepare more seed boxes (you may use also bigger flower pots or any kind of balcony containers for this) in the same way and sow again every 3-4 weeks until April. This method will provide you with seedlings from March until June and with harvests of home-grown vegetables from early summer until winter.

Prepare additional vegetable beds or big containers for additional summer vegetables such as cucumbers, marrows, sweet melons, lettuce, New Zealand spinach and kohlrabi. But these should not be planted before late March.

Beans, sweet corn, okra (*bamia*), peanuts and sunflowers — all planted in April or May — will complete our edibles programme for summer.

The need for a sporting chance

By PHILIP GILLON/Jerusalem Post Reporter



Coach Bill Wiener (whose photo inadvertently appeared in Friday's Post)

"CERTAINLY," Wiener answers. "I understand all that very well. When I went to watch one match in Israel, an American player recognized me and came over to speak to me at the end of the game. We discussed this question of the 'mercenaries.' He said exactly what you have just said. He pointed out that all Western European teams hire Americans; so it would be impossible for Israeli clubs to hold their own against European sides without the Americans. According to his estimate, if the hired players were eliminated, the standard here would be well below that of Europe. He reckoned that the standard, even with the Americans, was about college level. I agree with him."

"He also maintained, as you suggest, that the standard of the Israelis playing in the National League had

risen, and was rising, because of the Americans. And he had a further argument in favour of the system: he said that basketball is a sport had soared in the public esteem, because they watched the achievements of Maccabi Tel Aviv on television; this should draw thousands of kids to the game.

"All this is fine and dandy, and I agree with every word of it — provided the system is combined with building a basketball infrastructure. And that's where I think Israel is falling down, if I may say so, though I'm not an Israeli. If there's money to hire players and coaches for National League and second division teams, there should also be money to hire large numbers of good American coaches for the schools."

"When all's said and done, that's where the future of your basketball must lie: at school level. 'You've got to have facilities and really good coaches for thousands of kids, or you have the apex of a pyramid without any base.'"

WIENER, a very Orthodox Jew, was coach for 21 years of the Hebrew Institute on Long Island, and then for 13 years at the Hebrew Academy of the Five Towns and Rockaway based in Cedarhurst, Long Island, which absorbed the institute. In his youth he played college basketball and semi-pro baseball.

"My greatest love was baseball," he recalls. "It was my dream to become the Jewish Christy Mathewson. Christy was a very religious Christian, and he refused to play on Sundays; he was so great a pitcher that the New York Giants organized their team so that he was never called on to play on a Sunday."

Just imagine. I used to think, being so good that they would adjust to my not playing on Saturdays! Unfortunately, I was no Christy Mathewson.

Wiener spoke to several people involved in the organization of junior basketball, and found them all able and very dedicated. But their hands were tied by the economic problems.

"I have no doubt that the kids have the natural ability, but how are they going to develop it to the full if they are not coached when they are young?"

"The strange thing is that Israel has the perfect example of how things should be done in the Israel Tennis Centres. These are better than anything I have seen anywhere in America. Here you get the concentration on teaching tennis to thousands of youngsters, not on producing a handful of champions. Great players and coaches from America, like Dick Savitt, have taught Israeli coaches. You have a great coaching system as well as remarkable facilities."

"Why can't you have the same type of thing for basketball?"

HE SHAKES his head mournfully. "An aspect of Israeli sport that particularly distresses me is the lack of interest of Orthodox boys and girls in any form of athletic endeavour. None of the Orthodox girls play any games at all; many boys don't. The attitude reminds me of the days when Jews first came to America, and the parents could not understand why the kids wanted to play baseball instead of studying all the time. I think that it's unhealthy."

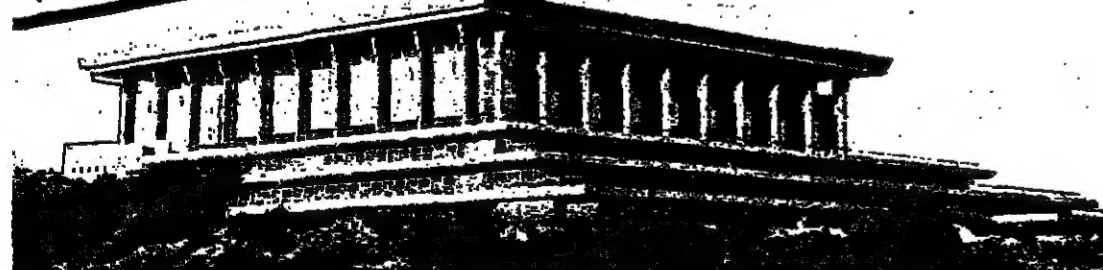
Despite all the coaching they get, Jews do not seem to be coming to the top in American sport, except in tennis. There's no great American Jewish basketball player.

"I don't say that Israel should aim at producing world champions. But it should be getting thousands and thousands of kids onto the playing fields and basketball courts, just as they are going on to the tennis courts."

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VIEWPOINT



What do the present trends and developments hold for the future of Israel? For the first time in Jerusalem, **VIEWPOINT** (in English):

1984 — Prospects for Israel

with Meir Shitrit MK (Likud), Tamar Eshel MK (Labour) and Ari Rath, Editor, *The Jerusalem Post*.

Monday, Feb. 6, 1984 at 8 p.m., the Jerusalem Plaza Hotel, King George St., Jerusalem.

Tickets available at the Plaza Hotel. Admission includes coffee and cake: IS 500; for AACI members IS 350 (members, please pick up your tickets at AACI, Moadon HaOleh, 9 Alkalai).

Presented by The Jerusalem Post, AACI Jerusalem Region and the Jerusalem Plaza Hotel.

Public Committee for "FLATS FOR RENT," P.O.B. 6707, Jerusalem 91066

YOUNG COUPLES, DEMOBILIZED SOLDIERS, and NEW IMMIGRANTS DEMAND THE FOLLOWING FROM THE GOVERNMENT:

LET US HAVE RENTED FLATS, AT REASONABLE PRICES.

We, the undersigned, demand that the Government of Israel immediately adopt the concept of rented flats as a solution to the intolerable housing situation.

- * A roof over one's head is inaccessible to young couples in Israel. Flat prices are sky-high, and mortgages and the conditions of payment do not meet demand.
- * The housing problem does not consider demobilized soldiers, prevents young couples from marrying and setting up a family, promotes emigration from Israel and prevents immigration to Israel.
- * Only rented apartments at reasonable prices, no higher than 10-15% of the average national salary, can solve this problem.
- * This notion can be implemented: 60% of the price of flats comprises taxes and land. If the government would allot national land to the needs of the people and not impose such heavy taxes on its citizens' most basic need, it would be possible to build apartment houses with reasonable returns for the investor and at reasonable monthly rentals for the tenants.

At the same time, the government would gain by not having to subsidize mortgages, nor channel funds to all the factors involved.

This is the only solution to the housing crisis, a customary practice the world over. If you are affected by the present situation, if you are a partner to this struggle, sign this petition.

Last name:	I.D. no.:	Address:	Occupation:	Signature:
1)				
2)				
3)				
4)				
5)				
6)				
7)				
8)				

and send to: "Flats for Rent," P.O.B. 6707, Jerusalem 91066

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Int'l air-taxi service from Atarot to use Westwind jets

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — A group of financiers headed by the Sherover family has applied for a permit to operate a luxury air-taxi service between Israel and Europe. The new line would like to start flying in May. Yavuz Yershalimi, the general manager of Orange Tours (the company involved in the venture) told The Jerusalem Post.

Gita Sherover submitted the plans to Transport Minister Haim Corfu and an official statement issued yesterday quoted the minister as supporting the scheme. However, the would-be airline, tentatively named Tapuz Air, has to present additional data to win the hard-to-get operator's licence.

Yershalimi told The Post that the company plans to obtain Westwind twin engine executive jets produced by the Israel Aircraft Industries. The planes have been produced for some years. The plan is to start operating two planes — the minimum required for the government permit. Former Air Force and El Al pilots are to fly the Westwinds.

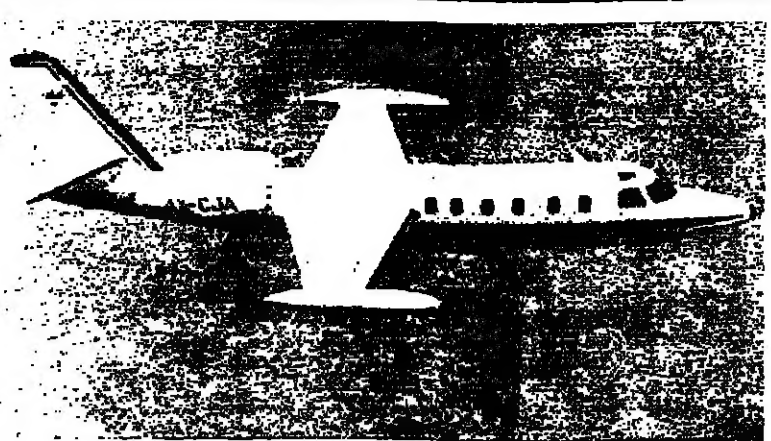
The operators intend to offer travelling business executives on-board secretarial services in addition to telephones and telex. The

planes would also be available for parties of eight to ten people flying to a particular European destination — to attend a wedding, for instance.

The company intends to set up its base at the Atarot airport, north of Jerusalem. That would free it from government restrictions on charter flights and enable it to fly to El Al destinations in Europe. Charter flights starting from Ben-Gurion airport may not land within 150km. of any European airport used by a scheduled airline calling at B-G Airport.

Foreign governments have refused to permit direct flights to the Jerusalem airport because it is in "occupied territory." The procedure followed by other airlines — Arkia for example — is for planes to land at Ben-Gurion before taking off for Europe and upon arriving in Israel. Then the Ben-Gurion-Atarot leg becomes a domestic flight. Yershalimi said that if necessary his company would follow that procedure too.

The expected investment will be shared by Israelis and foreigners. The Sherover family — which has donated the Jerusalem Theatre — has its financial assets mainly in Venezuela, but Yershalimi would not identify the other backers or the total investment involved.



The elegant Westwind executive jet made by Israel Aircraft Industries

Customs price Zahle arak out of market

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Israel's imports from Lebanon, in contrast to its brisk export trade to that country, are drying up. The Jerusalem Post has learned. Security considerations, high customs duties and a cumbersome bureaucracy on this side of the border, are cited for the failure to keep imports going.

While the Lebanese are buying Israeli products at the rate of about \$3 million a month, according to official figures, there have been only two imports from that country, scrap metal and the famed arak liqueur from Zahle, in the northern Bekaa.

Yosef Keren, the director of the Halum Company, which purchases scrap for the Acre Steel City plant, told The Post that last year his firm imported 4,000 tons of scrap, worth \$200,000 from Lebanon. This was

about four per cent of the plant's annual requirements. He said he expected these imports to fall off and eventually stop altogether.

Yoram Katz, of the Danot Company's Middle East Trading subsidiary, which imported 12,000 bottles of the Zahle Arak last October, said his firm had no plans for further orders. He said the customs authorities had imposed a 400 per cent duty on the liqueur and together with the bureaucracy and other expenses, the half litre bottles, costing \$1.50 each in Zahle, were up to \$1,100 each by the time they reached the shops in Israel. This priced them out of the market for all but the most fastidious connoisseurs, mainly among the Arab population.

Part of the shipment has not yet been sold, he noted, and the firm was dropping plans for repeat orders.

UK tourist boom fuelled by strong \$

LONDON (Reuters). — Britain, spurred by more and more British holidaymakers, is reeling in a tourist boom with visitors from the U.S. arriving in record numbers.

Officials say the American influx, fuelled by a strong U.S. dollar, will help the home tourist industry weather a mass exodus of Britons seeking sun on the beaches of southern Europe this year.

They say Britain could attract more visitors in 1984 than ever before and earn more from foreign tourists than Britons spend going abroad.

A visit to Britain, with its strong linguistic, historical and family ties with the U.S., has long been obligatory for most Americans visiting Europe.

But now they are finding it even cheaper, with the dollar worth 10 per cent more against sterling than a year ago.

Tourism officials expect some 2.5 million American tourists in 1984, following a sharp upward trend last year. Some 2,275,000 crossed the Atlantic in the first 10 months last year, compared with 2,136,000 in the whole of 1982.

Britain has been Europe's biggest earner of tourist dollars since the 1960s, when it overtook Italy and France. In 1982, Americans spent a quarter of the four billion sterling

(\$5.6b.) Britain collected from foreign tourism.

Top London hotels like the Savoy or Claridges rely on Americans for the bulk of their business.

But there are also signs that Britain is growing more popular with visitors from other parts of the world. Preliminary figures suggest tourism from Southeast Asia jumped 10 per cent last year. In 1982, more than 500,000 people from Asia visited Britain.

Tourism from Europe also showed an increase, though the number of French or West German visitors fell due to economic restraint, and, in the case of France, currency controls.

The home holiday industry has meanwhile been hit by fierce competition from travel companies, which offer foreign travel and board for the price of some holidays at home.

While sterling has slipped against the dollar, it has performed well against currencies in Southern

Europe, cutting the cost of holidays there. Tour operators, who are embroiled in a price war, report a rush of early bookings to the popular destinations like Spain, Portugal, France, Italy, Yugoslavia and Greece.

Long-haul tour operators also report increased demand for more exotic destinations in the Middle East, Africa and Asia with strong interest in Egypt, Kenya and Gambia.

Travel experts predict that more than 15 million Britons — a record — could take a foreign holiday this year.

In the 1960s, Britain enjoyed a healthy £11 million (\$30m.) surplus on its tourist account, partly because of currency controls.

In 1982, about 14 million Britons took a foreign holiday. They spent over £46. (\$5.6b.), pushing the tourist account loss to a new low of \$466m. (\$650m.).

But officials say the tide has turned and predict 1984 will pull the account out of the red.

Brazil signs \$27.5 billion international rescue package

NEW YORK (Reuters). — Brazil has signed a rescue package worth \$27.5 billion, designed to keep the Third World's largest debtor nation solvent through 1984.

The cornerstone of the programme, Brazil's second in less than a year, is a \$6.5b. loan being provided by over 600 banks. It is the largest single credit ever, bankers said.

Citibank senior vice-president William Rhodes, chairman of a bankers' advisory committee on Brazil's finances, acknowledged in New York that some experts had thought the new loan would not be fully taken up by banks.

"The fact that we did so underlines the confidence of the international financial community in Brazil's economic programme," he said.

However, bankers in Sao Paulo said that while the package would ease the country's immediate cash crisis, it would not solve the long-term problems stemming from the huge foreign debt — currently more than \$90b. and expected to hit \$100b. by the end of the year.

Apart from the \$6.5b. loan, the banks have postponed repayments

of about \$5b. on debts due this year, maintained trade financing at \$10b. and agreed to maintain \$6b. of deposits at foreign branches of Brazilian banks.

Friday's signing marked the culmination of nearly four months of hard selling by officials from Brazil and managing banks.

The terms of the loan package, which is accompanied by government credits of \$2.5b. and the rescheduling of over \$3b. of official debts, were thrashed out during last September's annual meeting of the International Monetary Fund (IMF) in Washington.

Bankers said in the final analysis they had no option but to lend Brazil more.

The country has practically no foreign-currency reserves and only enough cash to pay on time for essentials like crude oil.

Other bills are being paid about 90 days late and total arrears have climbed to at least \$3b., bankers said.

But without more bank aid, Brazil might have faced defaulting on its debts, which would have plunged the international banking system into crisis.

Jerusalem Old City's Cardo extolled

By HAIM SHAPIRO
Jerusalem Post Reporter

Some 40 Israeli travel agents yesterday toured and participated in a seminar on Jerusalem's Jewish Quarter in an effort to attract more tourists to it.

The seminar, organized by the Tourism Ministry, stressed the importance of including the area in regular tours for both Israelis and foreign tourists. The ministry director-general told the agents that

Jerusalem hotels have already agreed to lower their prices, thus making it possible to arrange for longer stays in the capital.

Among the sites stressed was the newly opened Cardo, which offers a selection of shops which contrast sharply with those of the adjacent open market. The agents noted, however, that one problem in including the area in itineraries is the fact that shops in the quarter are closed on Shabbat.

Good prospects for 1984 world cereal crops

ROME (AP). — Good weather conditions have boosted the prospects for world cereal crops in 1984, but stocks are expected to fall substantially, the UN Food and Agriculture Organization said Friday.

In its monthly Food Outlook report, the UN agency said if favourable weather continues, world cereal production will recover from last year's low level.

Although total supplies of cereals in 1983-84 seem adequate at the

global level, 24 countries in Africa still face severe food shortages, the FAO report said.

The report said 1.7 million tons of food had been allocated to the African nations and to other affected regions to stem the crisis.

WELFARE. — The Jewish Agency has decided to invest \$170 million over the next two years in meeting the social welfare needs of settlements in the Negev and Arava.

Boycott campaign against Nestle called off

VEVEY, Switzerland (Reuters). — The International Nestle Boycott Committee (INBC) has called off its campaign against the company, the world's biggest baby food manufacturer.

A joint statement by the committee and Nestle said INBC had decided to suspend its international campaign launched in 1977.

A company spokesman said Nestle had not detected any adverse effect on its American sales attributable to the campaign, which had centred on the U.S.

The boycott began out of a controversy over ways of marketing breast milk substitutes in the developing world.

The statement noted Nestle had made a firm commitment to follow an international code on marketing drawn up by the World Health Organisation (WHO) and the UN Children's Fund (UNICEF) in 1981. But the boycott continued because of INBC concern about Nestle's interpretation of, four, provisions of the code.

Nestle subsequently clarified its position on these provisions, which covered educational material, hazard warnings on labels, gifts to health professionals and free supplies to hospitals.

Iraq to pay 5 billion yen in compensation

TOKYO (AP). — The Iraqi government will pay compensation worth about \$214 million to Kawasaki Heavy Industries for losses the Japanese company has suffered due to the Iran-Iraq war, Kyodo News Service reported Friday.

In 1979, Kawasaki contracted with Baghdad to construct by 1982 two cement plants at Kubaisa and two others at Altamin, at a cost of 90 billion yen, according to Kyodo.

Work on the plants was suspended temporarily following the outbreak of the war in September 1980.

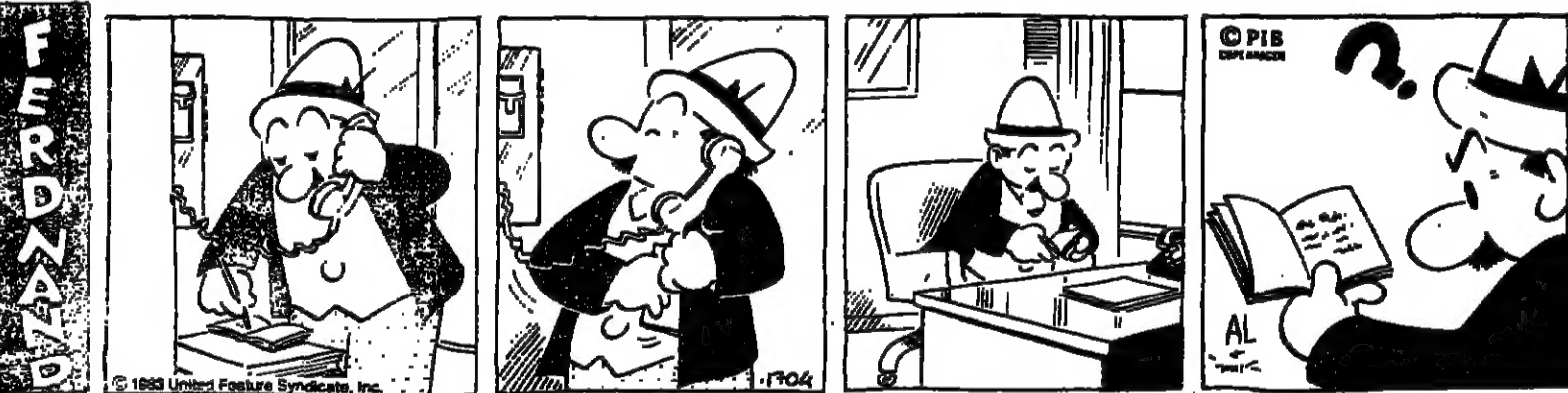
The two plants were completed at Kubaisa last summer and the two others at Altamin are now scheduled to be completed in March, Kyodo said. Kawasaki included 8,560 yen in losses from the war in its fiscal 1981 and 1982 accounts, and the company has negotiated with the Iraqi government for compensation, according to the news agency.

Kawasaki officials were unavailable for comment on the report.

Turkey and Poland sign trade agreement

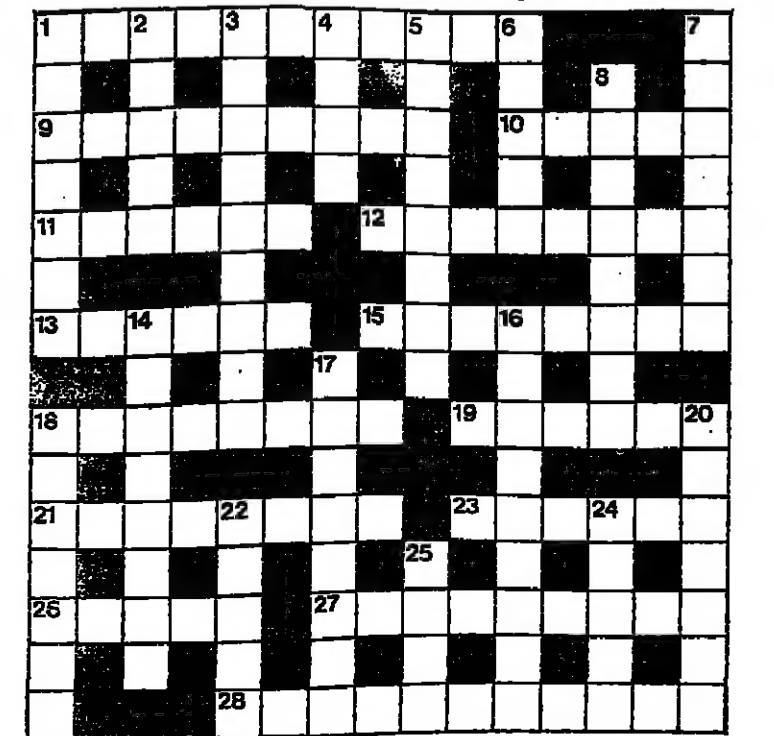
ANKARA (AP). — Turkey and Poland signed an economic agreement Friday at the end of a three-day joint economic commission meeting.

The two countries agreed to increase bilateral economic relations and to cooperate in metallurgy and energy fields, diplomatic sources said.



ONE-AND-ONE CROSSWORD

- | | |
|---|---|
| <p>ACROSS</p> <p>1 Cavalry officer's request to infantry supplying food supplement (5, 6)</p> <p>9 When the money has been, the balance sheet should look clean (9)</p> <p>10 Two innocents abroad he described (5)</p> <p>11 Presumably untouchables from the start (6)</p> <p>12 Spread rumour if somewhat annoyed (5, 5)</p> <p>13 Hose a drunken son (6)</p> <p>15 News won't disturb the urban planner's dreams (5, 5)</p> <p>18 Draw out in favour of religious propaganda (8)</p> <p>19 Snow shoe taken by kidnapped author at the bagpipe festival (6)</p> <p>21 Base rotters who add little to one's standing (3, 5)</p> <p>23 Journal which was cautious about popery initially? (13, 5)</p> <p>26 Tight? Surely not in a mechanical sense (5)</p> <p>27 Cross put in grave by religious group (9)</p> <p>28 End nap in order daily to get writing materials (3, 3, 5)</p> | <p>DOWN</p> <p>1 Challenge the strike leader's threat (4, 3)</p> <p>2 Spring over the rest of distinguished family (5)</p> <p>3 Memorable communication from the Kremlin (3, 6)</p> <p>4 Pronouncedly higher rental (4)</p> <p>5 A Bloody Mary's on the cards? (3, 5)</p> <p>6 Another run on Fleet Street (5)</p> <p>7 Timely measures first on the agenda (7)</p> <p>8 Soldier in the line of battle? (3, 2, 3)</p> <p>14 The kindness demanded by successful shopkeeper when he sells up (8)</p> <p>16 Advice to man needing drink when told he is pricing himself out of work (4, 1, 4)</p> <p>17 Row over one on dishwasher (8)</p> <p>18 Succeeded in struggling with a beer-can tab (4, 3)</p> <p>20 Unscrupulous dealer, less audacious when going around the street (7)</p> <p>22 Finish head down? (3, 2)</p> <p>23 Not dear man in a flat hat (5)</p> <p>25 Where they teach 5/13ths of the alphabet? (4)</p> |
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GENERAL ASSISTANCE

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THE INSIDE TRACK

A perceptive guide to shopping and services in Jerusalem

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THIS WEEK'S SUPER BARGAINS

Longing to tour the United States or to visit the family or friends there? Take advantage of these extremely low fares until March 3 (ticket good for two months): round-trip flight to New York \$545, Washington \$655, Los Angeles/San Francisco \$749. To Europe round-trip flight for only \$280, or \$299 in ten monthly payments. Weekly packages include hotel and flight from \$323 per person. To South Africa, \$977 in six unlinked payments. Packages to Eliat from \$119. Call ZIONTOURS, 23 HILLEL ST. (next to Shamai St. Post Office) Tel. 02-233326/7/8. Open every day from 8:30 a.m. to 8:30 p.m. Wednesday and Friday til 1 p.m.

Drive carefully

A little courtesy won't kill you!

First Int'l starts mini-boom

TEL AVIV. — The First International Bank — which declined to join the "arrangement" with the government which guaranteed the dollar-equivalent price of the shares of the banking groups (Leumi, Hapoalim, IDB and Discount), yesterday pulled off a coup which sent these "arrangement" shares soaring by about seven per cent in enormous turnovers.

The shares of First International and FIBI, its holding company, rose by only five per cent to become "buyers only," since there were no sellers.

First International devised an investment scheme based on these "arrangement" shares, which have been falling steadily in value, despite massive purchases by the Bank of Israel to support their prices. These "arrangement" shares now provide an annual dollar-linked and tax-free yield of about 24 per cent.

But there were few buyers, since the public feared that the government could not redeem them as it had promised, in two, four, five and six years.

First International bought up quantities of these "arrangement" shares which had not been locked and were traded freely (it is still buying them).

On the basis of the high yield of these shares, First International yesterday offered an investment scheme which would pay anybody depositing the equivalent of \$1,000 (or larger sums in multiples of \$1,000) an annual yield dollar-equivalent of 19.6 per cent or 1.5 per cent a month for those desiring a monthly income, if they tied up their investment for 56 months.

Thus, the entire scheme is based on the "arrangement" which the owners did not look up and which are freely traded, shares which nobody wanted — until yesterday.

Since First International had never "regulated" the price of its shares (unlike the other banks), the public has considerably more faith in this bank's policy than in the larger banks.

The result was that upon hearing of the First International scheme, the public (and the other banks) rushed to buy the "arrangement" shares, knowing that the scheme would make them much more attractive — also hoping that First International would be forced to buy them at the higher price.

Moreover, if First International pulls its investment policy off, there

Tel Aviv Stock Exchange

By MACABEE DEAN

are excellent chances that the other banks will follow suit.

Following First International's announcement, there was a mad rush to buy "arrangement" shares, of which more than \$18 million were traded. And for the first time in a long time, the Bank of Israel did not have to buy these shares to support their price.

At the end of the day, First International announced that its original offer (of 19.6 per cent a year or 1.5 per cent a month) would hold good only for the first five million dollars deposited in the scheme. After this sum, the interest rate would probably be lowered, since the "arrangement" shares would no longer provide yields of 24 per cent or more.

The First International maneuver had an exhilarating effect on the "free" shares, and they also began to boom. Some 206 of them rose by five or more per cent (of which 41 were "buyers only"); with only nine falling by five or more per cent (of which two were "sellers only"). The options rose by much more.

The result was that for the first time in many long weeks, all of the "wild swimmers" rose.

The "boomlet" was influenced by the situation in the government-issued index-linked bonds, which were traded earlier. If last week the Bank of Israel had to pour in massive quantities of money — \$28m. on one day alone, to support these bonds, yesterday there was considerable demand.

The turnover in bonds dropped to \$18.2m. with about \$8m. of this being demands by institutional investors (plus some members of the public), mainly for those bonds which will be redeemed in the near future. Another \$5m. was also picked up by these institutional investors of bonds whose redemption dates are much later. But there was still about \$7m. which the Bank of Israel had to pick up.

The result was that some of the four per cent fully linked rose by up to three per cent, as did some double-option bonds. But bonds traded in foreign currency fell by up to three per cent, while bonds

linked to foreign currency were firm (with the Bank of Israel moving in to support their price).

As for oil shares, the strike at Gurim 4 continued to send them all up, with M.G.V. IS1 rising by 14.5 per cent, M.G.N. IS5 rising by 8.5 per cent; and M.G.V. options rising by 15.2 per cent. North America IS1 also rose by ten per cent, as did Simica, and Paz exploration. (None of the latter three have a piece of Gurim 4).

As for the companies which brought in the well at Gurim 4, Delek Exploration and J.O.E.L., they rose by only five per cent. But two other companies associated with Gurim 4, Naphta and Fedoil, rose 9.9 per cent and 14.9 per cent respectively.

The general Share Index rose by 5.83 per cent, and if commercial banks are excluded, by 2.26 per cent. The other categories rose as follows: commercial banks plus 7.5 per cent; mortgage banks, plus 0.68 per cent; financial institutions, plus 1.70 per cent; insurance companies, plus 2.51 per cent, and trade and utilities, plus 4.71 per cent. Land development shares rose by 1.65 per cent; industrials, plus 1.79 per cent; investment companies, plus 3.48 per cent, and oil exploration plus 8.23 per cent.

General Bonded & Cold Stores Ltd reports that its operational profits increased by 1,266 per cent in the six months period ending September 30, 1983 to stand at IS\$80.6m., but if this profit is adjusted for inflation it drops to IS\$12m.

Cial Electronics announces that its subsidiary, Electronics Corporation of Israel (which is registered on the New York Stock Exchange) is granting a 50 per cent bonus dividend. The company also states that it has signed a contract valued at \$6.5m. with the Republic of Panama.

Ellers Investment will pay a ten per cent interim dividend on account of 1983. The share will go ex on February 5 and payment will be made on March 6.

Nikav Computers has bought 3,564,000 IS1 shares of Kideron Digital Systems, a company which is active in R & D.

Most active stocks
Leumi 1,490 IS\$85.7m. +102
Hapoalim 2,340 IS\$171m. +160
IDB 3,450 IS\$295.5m. +227
Mizrahi 1,430 IS\$139.5m. +93
Discount 4,400 IS\$104.8m. +290
Shares traded: IS\$243.6m.
Convertible Bonds: IS\$12.2m.
Bonds: IS\$24.2m.

Company	Volume	Change	% change
(not part of "arrangement")			
OHH	1137	13	+1.03
Martinez	320	b.o.i.	+15
Maritime	139	b.o.i.	+6
N. American	3312	89	n.c.
N. American	2083	44	n.c.
N. Am. op	1120	136	n.c.
Danot	212	b.o.i.	+10
Danot 5	465	274	+58.3
Danot 2	160	140	+87.5
First Int'l	210	b.o.i.	+10
FIBI	194	b.o.i.	+9

Commercial Banks		
(part of "arrangement")		
IDB p	75870	—
IDB r	3450	8566
IDB B r	3450	213
IDB p A	19800	3
IDB op 11	2100	238
Union 0.1	2570	2560
Discount B r	4410	300
Discount A r	4400	2384
Discount op 2	3170	121
Discount B cn	540	136
Mizrahi r	1420	9830

Mizrahi	1420	1580	
Mizrahi op 11	2151	77	
Mizrahi op 12	850	174	
Mizrahi cn 6	11025	b.o.i.	
Mizrahi cn 9	639	223	
Hapoalim p	2960	—	
Hapoalim r	2340	3064	
Hapoalim B	2340	540	
Hapoalim cn 8	8295	b.o.i.	
General A	5950	160	
General op 8	13400	10	
General op 9	5470	18	
General cn 5	4370	1	
General cn 7	269	b.o.i.	
Leumi 0.1	1490	59445	
Leumi cn 9	1889	b.o.i.	
Leumi cn 11	626	371	
Finance Trade 1	2020	90	
Finance Trade 5	1050	100	
Finance Trade c	1550	2	

Mortgage Banks			
Adanim Q1	\$19	8	
Gen. Mortgage	1267	4	
Gen. Mortgage	1267	1	
Carmel r	1485	2	
Carmel op	650	103	
Carmel deb	128		
Binyan	743	12	
DevMortgage r	800	83	
DevMortgage b	860		
DevMort. op	190	2	
Mishkan r			
Mishkan b	3600	5	
Independence	1650	4	
Tefahot p r	700	4	
Tefahot r	735	30	
Tefahot deb. 1	316		
Tefahot deb. 2	176	3627	
Tefahot 1	285	50	

Jazmar 5	298	16
Jazmar op	76	46
Metrav r	172	334
Financial Institutions		
Leumi r	107	416
Shilon op B	666	—
Agriculture A	8985	—
Agriculture C	9030	—
Leumi Ind r	730	4
Leumi Ind h	747	—
Dev. Mortgage r	6890	4
Dev. Mortgage b	20690	1
Dev. Mortgage c	13750	—
Dev. Mortgage c1	13755	—
Dev. Mortgage d	11680	—
Dev. Mortgage d	5265	—
Contractors	100	95
Tourism	4130	—
Leumi Lease 0.1	253	113
Leumi Lease 0.3	165	73

Insurance		
Arzyeh r	242	185
Arzyeh op	142	12
Arzyeh sub deh	2360	—
Ararat 0.1 r	269	17
Ararat 0.5 b	46	12
Reinsur 0.1 r	420	—
Reinsur 0.5 r	106	36
Hadar 1	225	50
Hadar 5	109	394
Havneher r	302	270
Havneher op 4	93	261
Phoenix 0.1 r	830	23
Phoenix 0.5 r	230	27
Hamishmar 1	500	102
Hamishmar 5	496	142
Hamishmar op	580	22
Yardenia 0.1 r	185	4

Yardenia 0.5 r	77	102
Yardenia op 2	49	35
Menorah 1	1000	3
Menorah 5	185	43
Sahar r	1300	5
Securities r	138	542
Zur r	275	—
Zion Hold 1	65	—
Zion Hold 5	131	h.a.l
Trade & Services		
Trade		
Meir Ezra	355	425
Meir Ezra op	162	10
Teta 1	120	39
Teta 5	40	30
Teta op	26	200
Clal Trade	226	67
Clal Trade op	280	10

Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Shvat 26, 5744 • Rabia-Thani 26, 1404

The hydra of Jewish terror

FOR ONCE the minister of the interior did not wait for others to say what needed to be said. He came right out and condemned the crazy terrorist attempt by still unknown assailants to forcibly occupy the Temple Mount on Friday morning and perhaps attack its mosques. The success of the attempt would, needless to say, have been disastrous.

True, Dr. Burg sought to convey the impression that he still had "no idea" who those foiled attackers might have been. The inquiry could take some time, he explained, citing the length of time, nearly a full year, it had taken the police to produce a suspect in the murder of Emil Grunzweig. Perhaps, he added, it was an act of provocation — carried out, in other words, by Arabs eager to implicate Jews in a dastardly crime against two of the holiest of Moslem shrines.

But of course the minister knew better. Otherwise he would not have gone out of his way to stress that the thwarted attack was "absolutely opposed to the ideas of Judaism and to the fundamentals of the State of Israel."

While the precise identity of the terrorists in question can only be established by the forces of the law, there is no evidence to assume they were not Jews.

Although the two Kach members originally arrested have in the meantime been released, it was sensible of the police to turn their attention to Rabbi Meir Kahane's gang. For Kach represents an organized expression of the concept of an *Araberrein* Eretz Yisrael to which the terrorists apparently subscribe. But it would be an error to focus on just one group, particularly one that is in the public eye.

The terrorist hydra seems to have already grown a number of Jewish tentacles and it will take some doing by the police and security forces to detect them all.

Only a few weeks ago Dr. Burg, speaking in the Knesset, suggested that an organized Jewish terror underground existed only in "Yossi Sarid's head." Now he has apparently come to feel differently.

Yet he has never given the obvious danger of Jewish terror the priority it deserves. Given his casual attitude to his police responsibilities that is perhaps not surprising.

But it is time that someone lit a fire somewhere under the cabinet seats of this government to arouse them to the grave threat to Israel posed by Jewish terror.

The police and the security forces cannot easily be expected to be more highly motivated than the ministerial echelon.

Since the attacks on the mayors in the West Bank — crimes still unsolved — the threat has been plain, to all but the government.

Push for elections

ELECTIONS NOW do not offer an ideal solution to the country's predicament. Since there is no practical chance that the electoral process will be speeded up, the campaign, noisy and costly as usual, will drag on for months. In the meantime the country will be struck with a transition government from whose edict there is virtually no appeal.

It is, in fact, only possible to take the decision now to hold the elections in five months or so.

Nevertheless, the argument for taking that decision is compelling, especially since the possibility of an alternative government, whether a broad-based national unity government or a narrowly-based Alignment-led government, does not present itself. Yet the prospect of the frail regime headed by Yitzhak Shamir limping from one crisis to another until October 1985, the legally mandated date, is too horrendous to contemplate.

The likelihood of a decision on early elections has now been increased by the resignation of Mordechai Ben-Porat from the post of minister-without-portfolio in the cabinet.

Mr. Ben-Porat, who heads a tiny splinter of the late Moshe Dayan's Telem list, which he calls the Zionist Renewal Movement, was active last year on behalf of a national unity government. He is still very disappointed that the idea was aborted, and is now planning to work openly for it.

But if it fails again, he made clear yesterday, Mr. Ben-Porat will cast his vote for early elections.

It may, therefore, be assumed that Mr. Ben-Porat will support the Alignment's initiative, due within the next two weeks, for a dissolution of the Knesset. Backing for this move may then also be expected from disaffected Liberals such as Dror Zeigerman and Yitzhak Berman who were Mr. Ben-Porat's partners in working for a national unity government last year. These Liberals did not back last week's no-confidence motions because they were fearful that they would only lead to the substitution of one Agudat Yisrael-ruled government with another. Early elections are a way out.

If Mr. Ben-Porat manages to generate the momentum needed to secure a majority for an early elections bill, he will have done more for his country than he did during his brief tenure as minister-without-portfolio.

Towards a country of criminals

By STEVEN PLAUT

IT WOULD BE quite difficult to come up with a worse set of economic decisions than the finance minister's latest "policy" concerning holdings of foreign exchange and securities by Israelis. This policy attests to the economic bankruptcy of economic ideas on the part of current policy-makers, and in particular annuls any claims by Yigal Cohen-Orgad to a further period of grace.

There exist only two possible situations:

1) thousands of Israelis will legally hold foreign securities and bank deposits and dollars in cash;

2) thousands of Israelis will illegally hold foreign securities and bank deposits and dollars in cash. There is no third possibility.

The new regulations (which apparently do not affect immigrants), will simply turn Israel into a country of criminals. For every Israeli who obeys the rules and liquidates his foreign assets, tens or perhaps hundreds will simply ignore the rules. Others might suddenly decide that *dafka* now is the time to transfer funds abroad, before the government's feverish brain thinks up more restrictions.

Plaut's Iron Law Number One says that the public is always smarter than the government. The government has as much chance of success as does a Trotsky fan club in Moscow. There is no way the new restrictions can be enforced. Moreover, any attempt at enforcement will result in even more funds fleeing abroad.

The claims by the Bank of Israel and the Finance Ministry that these

restrictions were needed to prevent the flight or waste of foreign exchange are poppycock. The best way to cause dollar flight is to make it illegal to take dollars out of the country.

At the time of the 1977 economic reforms, some people expressed fear that the liberalization would result in a dollar flight — but just the opposite happened. Once it was legal to buy and hold dollars, large sums, many with a "criminal" past in illegal bank accounts held by Israelis abroad suddenly found their way to the shores of Zion.

Anyone who thinks that Israelis today lack sufficient ingenuity to find ways of transferring dollars abroad and depositing them there is suffering from serious delusions.

THE GOVERNOR of the Bank of Israel rationalized the restrictions by claiming that they were a way to extract dollars being hoarded under mattresses and return them to the banks — that is to say, to the government.

Even before Cohen-Orgad's deliberalization, many Israelis were already willing to pay a premium in order to keep their savings out of government reach. This premium was the 4-10 per cent interest that was foregone by holding dollars in cash, interest that could have been earned if the money had been deposited in the banks. This represents a non-confidence premium, a payment people were willing to make because they did not trust government intentions. Obviously the demand for "untouchable" assets will be even higher now. The

government will achieve exactly the opposite of its aim.

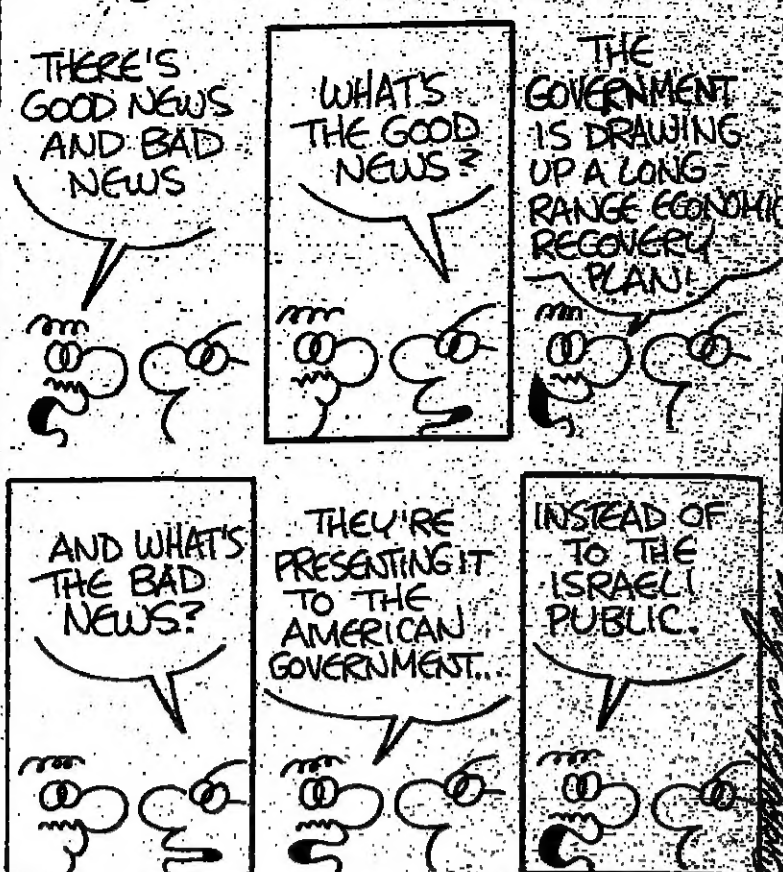
But what is more alarming is that the deliberalization represents the beginning of an abandonment of economic policy that works through the price mechanism, and a return to a policy based on the administrative allocation of resources by the bureaucracy.

WHEN ISRAEL was born in 1948, the founding fathers set up a state that combined the political system of a Western European country with the economic system of an Eastern European country. During Israel's first years, the government artificially set the prices of just about everything, and distributed the goods and inputs to its chosen. The inevitable result was waste, universal shortages, universal black markets, and of course *protection* (known affectionately as Vitamin P).

However, starting with the New Economic Policy of 1953, a slow and partial advance began, manifesting itself in increasing reliance on the price system. Goods were rationed by price not by bureaucratic whim. In international trade, the government relied more on protection, that is, on tariffs and subsidies, rather than quotas and other bureaucratic restrictions. The government continued to distort each and every market — but at least markets were permitted to clear, allowing prices to vary so that supply would equal demand. (Exceptions to this, were in the land, water and credit markets.)

The distortion of an open market

Dry Bones



is better by far (or so most economists would agree) than a system of administrative handouts and bureaucratic control.

The only notable changes introduced during the so-called economic "upheaval" of 1977 were a liberalization of the restrictions governing holdings of foreign exchange, and replacing the cumbersome dinosaur of foreign exchange rationing with a price system, albeit a distorted one.

The bureaucracy continued to distort and control imports and exports, but for the first time it was forced to do so entirely through the market. Rather than having to trade beads and trinkets with the bureaucracy, anyone could buy foreign exchange freely, although tariffs, taxes and subsidies continued to affect the willingness to buy and sell.

profitable exports produced. When a bureaucrat allocates foreign exchange in between his cigarettes and cup of coffee, the result can only be waste and misallocation.

If there was concern about dollars being "wasted," that just means the dollars were too cheap. There is only one legitimate way to prevent the wasting of dollars, and that is to make them more expensive, through a more rapid depreciation of the shekel. Depreciation raises the price of dollars for everyone, that is exactly what is so good about it.

Cohen-Orgad's "policy" will only raise the cost of dollars for those driven into the black market. Everyone enjoying his freedom will get dollar allowances and purchase licences. The bureaucracy will decide when a unit is more than his \$2,000 allowance and when he cannot.

THE TREND towards deliberalization was apparent even before the night the foreign currency restrictions were proclaimed. For several weeks, Minister of Industry and Trade Gideon Pat has been exhibiting nostalgia for the good old days before 1953, and has been calling for expanded control and setting of prices by his bureaucrats. Apparently, the recreation of a black market (for dollars) is not enough for him, and he wants to see a cornucopia of *Liberalism* Streets. But as we now see, such is not the only one who wants to turn the clock back.

The writer teaches economics at the University of Tel Aviv, and is associated with the Centre for Social and Economic Studies.

READERS' LETTERS

CHRISTIAN TV

To the Editor of The Jerusalem Post Sir, — Twice, letters have appeared in your paper complaining of the missionary programming on Middle East TV. The latest, from Mr. Goldstein, suggests that, if the Christians are going to use "our" means of communication, they should use a "minimum of fact."

I would like to make two points. Number one, Middle East TV is broadcast by Christians to Christians. The fact that we in Israel are able to watch the broadcasts is incidental. Secondly, when they broadcast programmes such as 700 Club, Super Book, or Flying House, no one in Israel is forced to turn on his TV set. Just as there may be programmes on Israel TV that Mr. Goldstein does not wish to see, he may also decide not to watch programmes on Middle East TV.

I think we should be grateful to Middle East TV for providing some excellent alternative entertainment programmes, such as sports, movies and English news.

V. L. SHARIR

Kibbutz Shefayim.

NEW IMMIGRANTS

To the Editor of The Jerusalem Post Sir, — In view of the considerable increase in aliyah from Britain during recent years, the members of the British Settlers Association (Hitachdut Olei Britannia) are making a special effort this year to increase our activities to ensure that each person and family coming from Britain, Australia and New Zealand will be helped by our volunteers and made to feel at home in Israel.

In order that this important task be successful, we are appealing to your readers who come from these countries to volunteer to take part in this endeavour.

Newcomers whom we have been unable to contact because of lack of volunteers or whose addresses are unavailable should call or write to our National Organizing Secretary, Mrs. Priscilla Tobias, 76 Ibn Gvirol, Tel Aviv, or telephone 03-265244.

ARIEH CHAPMAN, National Chairman, British Settlers Association (HOB)

Tel Aviv.

BANK ACCOUNTS

To the Editor of The Jerusalem Post Sir, — I was glad to read about the special committee which was appointed by the Knesset to draft principles by which to judge to what extent commercial bank charges are reasonable.

I personally feel that a Knesset Committee investigation and resultant regulation of bank practices is long overdue. I have had several incidents with two different major banks in which I felt the behaviour of the respective bank was questionable.

I feel very deeply that the average person dependent on the bank for almost all monetary transactions is taken advantage of to a great extent and given no recourse for checking what goes on.

Rules should be made pertaining to what banks can and cannot do by a group other than the banks and these should be stipulated clearly in the banks, in Hebrew, English and Arabic.

Name and Address Supplied

CHELM

To the Editor of The Jerusalem Post Sir, — There were two fascinating items in your edition of January 20: It was interesting to read in "Professors advise Hammer on cuts" that "less efficient programmes should be eliminated, and more effective ones supported." Good thing we have professors!

In "Indefensible cuts," Hirsch Goodman reports that it required "months of staff-work and hundreds of officers" to reach the conclusion that there is no fat to trim from the defence budget. Who was it that said: "If you're not part of the solution, you're part of the problem?"

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POSTSCRIPTS

PS A CAMPAIGN to get the 16,000 people of Farmington, Connecticut to live without television for a whole month has ended in embarrassing failure.

School and library officials backing the effort wanted to show that, in Farmington at least, there was life beyond "the tube."

But librarian Nancy Desalvo, who led the month-long campaign, has acknowledged defeat, saying: "We're obviously not getting people to turn it off."

A recent tour around the streets of Farmington proved the point — the glow of cathode-ray tubes was

evident behind living room curtains, in the fire station and even in the library.

"I think it's because many of the parents have grown up with TV," said Desalvo. "They are complete addicts. There's no way they could go cold turkey."

"People just don't realize what a monster that machine is," she said. "I can't even get the set off in this library."

The campaign began with the support of school officials, the library council and town agencies. Public meetings were held and resolutions passed. Pledge cards were distributed in schools for children vowing to turn off their sets for a month.

Bumper stickers, posters, letters, newspaper notices and large amounts of publicity were all used in the intensive anti-television campaign — to little avail.

A writing contest offered prizes to the children with the best essay entitled: "What I Did When I Turned the TV Off." But Desalvo said: "We have more prizes than essays."

Studies have found that television sets are switched on for an average of 6 hours and 18 minutes a day in American homes.

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